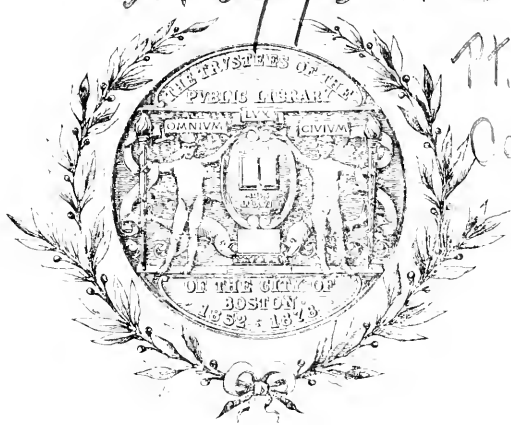




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# INVESTIGATION OF ORGANIZED CRIME IN INTERSTATE COMMERCE

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## HEARINGS

BEFORE THE

### SPECIAL COMMITTEE TO INVESTIGATE ORGANIZED CRIME IN INTERSTATE COMMERCE UNITED STATES SENATE EIGHTY-SECOND CONGRESS

FIRST SESSION

PURSUANT TO

**S. Res. 202**

(81st Congress)

AND

**S. Res. 129**

(82d Congress)

A RESOLUTION AUTHORIZING AN INVESTIGATION OF  
ORGANIZED CRIME IN INTERSTATE COMMERCE

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### PART 13

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MAY 28; JUNE 19 AND AUG. 6, 1951

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### MISCELLANEOUS WITNESSES

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Printed for the use of the Special Committee To Investigate  
Organized Crime in Interstate Commerce



UNITED STATES  
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# INVESTIGATION OF ORGANIZED CRIME IN INTERSTATE COMMERCE

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MONDAY, MAY 28, 1951

UNITED STATES SENATE,  
SPECIAL COMMITTEE TO INVESTIGATE  
ORGANIZED CRIME IN INTERSTATE COMMERCE,  
*Washington, D. C.*

## EXECUTIVE SESSION

The committee met, pursuant to call of the chairman, at 10 a. m., in room P-36, United States Capitol Building, Senator Herbert R. O'Connor (chairman) presiding.

Present: Senators O'Connor, Kefauver, Tobey, and Hunt.

Also present: Richard Moser, chief counsel; George Robinson, Alfred M. Klein, and Joseph L. Nellis.

The CHAIRMAN. The hearing will please come to order.

I should like to state for the record in opening the hearing, which is to be executive, that this hearing was called pursuant to a resolution passed by the entire membership, authorizing the chairman to appoint a subcommittee of the full committee, and pursuant to that I have designated and requested the Senator from New Hampshire, Mr. Tobey, and the Senator from Maryland, the presiding officer, to act as a subcommittee, and a quorum of one will be sufficient to conduct the hearing.

Mr. Klein, will you call our first witness?

(Mr. Klein complies.)

The CHAIRMAN. The hearing now being in progress, I would like to call Mr. George May.

Mr. MAY. Where shall I sit, sir?

The CHAIRMAN. You are George May?

Mr. MAY. Yes. Could I have a drink of water? I have a cold, please.

The CHAIRMAN. Certainly.

Counsel, may I ask you to identify yourself, please, for the record.

Mr. MCFARLAND. My name is McFarland, and I am asking leave to appear here as counsel for Mr. May.

The CHAIRMAN. We welcome you, sir, and we are very glad to have you, and we will be very glad to have you propound any questions you may care to ask.

Senator TOBEY. We ought to say also that we welcome Mr. May, and we would have been glad to have welcomed him a long time since, rather than having him avoid and evade the committee, but before we get through with him, we will get the truth from him.

The CHAIRMAN. Now, Mr. May, will you raise your right hand, please.

In the presence of the Almighty God, do you swear that the testimony which you are about to give shall be the truth, the whole truth, and nothing but the truth?

Mr. MAY. I do.

**TESTIMONY OF GEORGE S. MAY, CHICAGO, ILL., ACCOMPANIED BY  
RALPH S. McFARLAND, ATTORNEY**

The CHAIRMAN. Now, Mr. May, Mr. McFarland is your legal representative; is that correct.

Mr. MAY. Yes, sir.

I would like to make a statement in order to clear up some of this misapprehension about me evading the committee.

Senator TOBEY. You will have plenty of opportunity to do that, sir, before we are through with you.

The CHAIRMAN. We will just proceed with the questioning. May I suggest, Mr. McFarland, that any questions you feel disposed to ask, that we will be glad to have you do so. First we will proceed with the interrogation, and then at any time if you advise us when there are questions which you desire to ask, we will be very pleased to accord you the opportunity to do so.

Mr. McFARLAND. Since the record shows that Mr. May is responding here to a subpoena, and that he has now been sworn, I would like an opportunity, first, to give you a statement which I would like to read into the record.

I think that I have sufficient copies of it here.

I would like the opportunity of reading this into the record, so that it may state, and the record may show, our position, that is, the position of this witness, with respect to this hearing, because there will be a number of objections that we set forth in a statement of objections that we would like to have read into the record.

The CHAIRMAN. Yes. What we might do, Counsel, is to consider this as filed in toto, so that it will be included in the record, in full.

Mr. McFARLAND. As fully and to the same extent as if I had read it completely into the record?

The CHAIRMAN. That is right.

Mr. McFARLAND. In other words, there is a document presented here which is entitled "Statement of Objections," containing seven typewritten pages, with two pages of photostatic reproductions of news items.

The CHAIRMAN. That is right. So as to be sure it is in toto, just as you have described it, we will have it marked at this point as "Witness' Exhibit No. 1," and it will be included in the record.

(The document referred to was marked as "Witness May's Exhibit No. 1," and reads as follows:)

The CHAIRMAN. All right, Mr. Robinson, will you proceed.

Mr. ROBINSON. Mr. May, would you state what your address is.

Mr. MAY. I reside at 2620 North Shore Avenue, Chicago.

Mr. ROBINSON. That is your home address?

Mr. MAY. That is right.

Mr. ROBINSON. Do you have a business address, Mr. May?

Mr. MAY. Well, I have several; my main address is the Engineering Building in Chicago.

Mr. ROBINSON. And you have other branch offices, do you not?

Mr. MAY. That is right.

Mr. ROBINSON. Where are they located?

Mr. MAY. Well, there are two other main offices, 122 East Forty-second Street, New York City, and 291 Geary Street, San Francisco, Calif., and also the University Building, Montreal, Canada.

Mr. ROBINSON. Mr. May, what is the exact name of your business?

Mr. MAY. George S. May Co.

Mr. ROBINSON. And could you briefly describe for the benefit of the committee what the nature of that business is?

Mr. MAY. Well, we go into businesses and make a survey to see if there is anything wrong, first, and second, if there is anything wrong, to prescribe recommendations.

Senator TOBEY. What kind of businesses?

Mr. MAY. Any kind of business. We have been in 2,700 different kinds of businesses in 26 years. I have over 500 men at the present time making surveys in, well, probably a hundred different kinds of businesses now.

The CHAIRMAN. It is not, then, confined to one general type of operation?

Mr. MAY. No. If you will look at our ad in Nation's Business of today, you will see a very unusual ad, "We charge more than anybody in the business. Why?"

Mr. ROBINSON. How long has the business been organized?

Mr. MAY. Twenty-seven years.

Mr. ROBINSON. And you do business throughout the entire United States, do you?

Mr. MAY. And several foreign countries.

Mr. ROBINSON. Could you state approximately what the size of the business is, dollarwise or volumewise?

Mr. MAY. Last year we did \$4,162,000 worth of business.

Senator TOBEY. Do you mean that is your income?

Mr. MAY. No, no, gross.

Mr. McFARLAND. Gross business.

Mr. MAY. Gross billings.

Mr. ROBINSON. And I believe you stated to me at one time that the total amount that the business had taken in, and I assume that was the gross, since its organization, was around \$72,000,000?

Mr. MAY. \$76,000,000 right now.

Mr. ROBINSON. What sort of an advertising program do you have for your business, Mr. May?

Mr. MAY. Every 3 weeks we have an advertisement in every daily newspaper in the United States. We are in 1,825 daily newspapers.

Mr. ROBINSON. Do you have any other form of advertising for your business?

Mr. MAY. Well, in Nation's Business, and that is about all in the way of publicity.

We do have direct-mail advertising going out to 150,000 firms. We spend ten cents of every dollar we take in for advertising.

Mr. ROBINSON. Do you use any other vehicle except newspapers and periodicals for advertising and getting clients for your business?

Mr. MAY. No.

Mr. ROBINSON. Mr. May, are you a member of any golf club?

Mr. MAY. Well, I am sorry, but I must decline to answer that, on the ground that any answer I give may tend to incriminate me.

Senator TOBEY. Now, Mr. Chairman, I submit that it is very evident that this bird is going to do everything but answer questions here. His brief shows here that he is going to put a clamp on his mouth and not answer any questions, and if that is going to be the case, why, we will just be wasting the time of this fellow here. Make your record, but we will cite him for contempt.

Now, here is an eminently respectable businessman, but on the prima facie end of it, it will show that he is not a respectable businessman, and that he has had dealings and has been in cahoots with gamblers and all of the crooked element. You cannot stop that evidence from coming in, and all the due process that you have put into this document will not keep us from getting the evidence we are after, and you can put that in your pipe and smoke it.

We are sick and tired of all of these criminals coming in here. Here he goes out and he plays with the scum of the earth, and we are not supposed to be able to find out about it. Well, we will find out about it, and we will get it before we get through.

Mr. McFARLAND. Senator, I say this to you very respectfully, I cannot keep you from feeling as you appear to feel about Mr. May, and saying the things that you do say about him.

Senator TOBEY. I mean just what I say. We will establish it before we get through.

Mr. McFARLAND. I don't doubt that at all. Personally, I think that you are mistaken. I don't believe that he associates with the scum of the earth, in spite of anything that may appear to the contrary. I think that if you knew him as well as I know him, that you would probably find that he is a very reputable man.

Senator TOBEY. Yes. All right.

Mr. McFARLAND. Despite anything to the contrary, and I say that in all due respect to you and to the committee.

Mr. ROBINSON. May I ask this question? I believe the question I asked was whether or not Mr. May was a member of any golf club. I frankly do not see why membership in a golf club has any bearing on any particular crime.

Mr. McFARLAND. Well, Mr. Robinson, as a matter of fact, you have information on that subject, haven't you?

The CHAIRMAN. But, Counsel, that is not relevant or a proper ground for any objection, even though counsel does have information, he is not precluded from asking a question of the witness because he has information and, frankly, it is impossible for me to understand why a simple question of that kind would be of such a nature that the witness would refuse to answer it. The question was merely whether he had membership in a golf club, and that is the only question that is before us.

Mr. McFARLAND. That is right. And if the questioning were not to go beyond that point, there would be no objection to his answering it.

The CHAIRMAN. Well, Counsel, being as eminent as you are in the profession, and as capable, and being a recognized lawyer of high standing, you know that we can ask only one question at a time. That is the only question that has been asked, and the witness undertakes to refuse to answer that. Each question must be decided on its own merits, as you know.

Mr. McFARLAND. Well, if I were confident of that fact, that by merely asking one question that it would not open the door, and perhaps preclude him from making objections to any other question, I would have no objection to his answering that.

Mr. MOSER. Well, Counsel, we are not going to limit our questions according to any such agreement as that. I think you should state for the record exactly the grounds, and in detail, on which you are instructing your witness not to answer.

Mr. McFARLAND. Well, I am not instructing him not to answer.

Mr. MOSER. Well, we will ask the witness to answer the question and state the reason.

Mr. McFARLAND. For the purpose of this question, may I read into the record certain objections that I think may apply to all of the questions that will be put to this witness.

The CHAIRMAN. How can you do that, when you don't know what questions will be put?

Mr. McFARLAND. Merely as to this particular question.

The CHAIRMAN. I understood from you a minute ago that you had no objection to this particular question.

Mr. MOSER. Mr. McFarland, let's pass on this one question now, what is the decision? Are we going to answer it or not?

Mr. McFARLAND. Let me raise this objection on his behalf.

The CHAIRMAN. To this question?

Mr. McFARLAND. Yes, to this particular question.

First of all, the committee has information upon that subject.

Secondly, the question of membership in a golf club does not involve a question of interstate commerce, and also, that the question of membership in a golf club would not aid this committee in any way in the discharge of its legislative function.

Senator TOBEY. That is not for you to say. You forget what position you are in. You are coming here before a Senate committee, and these questions have a collateral bearing on the things we know the answers to; we know the answers to many of the questions we ask before we ask them, and we are trying to produce a chain of evidence that will be given to the public at large before we get through. There is no question about that.

We have reason to believe that this man is guilty of certain things, and we are going to examine him, and if he refuses to answer, we are going to cite him for contempt.

Now, we are not going to play ducks and drakes here, we are not going to allow you to play ducks and drakes with this committee. You are not going to tell us what questions we are going to ask. We will ask what questions we want, and if we don't get the answer, you will go to jail for contempt, Mr. May.

Mr. McFARLAND. And I don't pretend to tell the committee what questions you should ask or which questions you should not ask, but for the purpose of this record, because of the fact, as you have stated, it appears to me, that you do intend to develop a chain of evidence—

Senator TOBEY. We certainly do, all the way down through.

Mr. McFARLAND. That as you say, you may use, for the purpose of endeavoring to send this man to jail, for that very reason—

Senator TOBEY. We hope to send every man to jail who is guilty of certain crimes in this country. Our job is to produce the picture, not to send them to jail, and we will produce that picture.

Mr. McFARLAND. My understanding is that your job is to seek information upon the subject covered by Resolution 202, which will enable you, as a committee, to recommend to the Senate the passage of legislation that you feel is necessary or proper or required as the result of your investigation.

The CHAIRMAN. Counsel, that obviously is one of the objectives of the committee, but now we are confronted with a specific question, and I did understand you to say before that you had no objection to that specific question.

Now, are we to understand that you do raise an objection and advise your client not to answer?

(Witness confers with Mr. McFarland.)

Mr. MAY. Mr. Robinson, would you repeat the question, please?

Mr. ROBINSON. Are you a member of any golf club?

Mr. MAY. Yes.

Mr. ROBINSON. What is the name of the club?

Mr. MAY. Well, I decline to answer that on the ground that any answer I give might tend to incriminate me.

Senator TOBEY. Let me say one thing. Here is a man, George S. May, who stands before us and tells us about his great business enterprises, and his Nation-wide advertising campaigns, and that he is a respectable man, and so on and so forth, yet before a committee of his peers, a committee of the United States Senate, he hesitates a long while to answer a simple question, "Are you a member of any golf club?"

Before God, is your life so encumbered by these things that you cannot even answer a simple question of that sort? Why don't you just come out in the open and say, "I'll give you everything you want. I know that my life is an open book."

And then, if your life is an open book, if you are clean and honest, just spill it, what do you want to cover up for?

What a position for a man to be in, with his soul, that he cannot answer such a simple question. What is all of your money worth if you cannot look men in the face like the men who are sitting here? I would rather be dead than to be in that position myself, with all your money and all your power.

Mr. ROBINSON. Mr. May, would you specify under what Federal statute the answer to that question would tend to incriminate you?

Mr. MAY. Well, I am not an attorney, Mr. Robinson. I cannot cite any statutes. I never read any.

Mr. McFARLAND. Of course, the answer to that question, Mr. Robinson, is that that question might produce a link in a chain of proof that would lead to evidence of the violation of a Federal statute.

As you know, a witness, where he claims the privilege of incrimination, certainly does not have to designate the particular section or statute or law that he feels he would violate or he would be incriminated by.

The CHAIRMAN. Counsel, it certainly is obvious, however, that there are a number of objections that he cannot make, and that only matter that would enable him to avoid questioning by this committee on a Federal offense justifies him in that.

Mr. McFARLAND. That is right. And it is only with respect, I would say, to a Federal offense that he raises this question of immunity.



Now, as a matter of procedure, and as a matter of law, if we were before a court, and a prosecutor said to Mr. May, "What particular statute is it that you feel that you might incriminate yourself with respect to," he would simply make the same answer, and there is not any judge that I have ever known or have ever heard of who would not say to the prosecutor, "That is an improper question."

The CHAIRMAN. Well, it is very obvious to us that it is a proper question, and we, of course, afford you the opportunity to indicate to us otherwise, and that is why we do give you the chance now to state why you feel that an answer to this question might tend to incriminate you.

Frankly, it does not appear clear to us.

Mr. McFARLAND. Senator O'Connor, may I say just this, and again I say this with absolute respect for the committee and for the members who are present here this morning?

I have tried to find out and to determine as best I can exactly what the law is with respect to the rights or the position of a witness who is called before a congressional committee and, frankly, we have reviewed the law clear back to, I think, the very first case that was decided, and it appears that a witness who comes before a congressional committee is in an entirely different position than a witness who appears before any other governmental body, particularly with respect to the judiciary, and in this sense, you say that you cannot see, and that you do not believe that the answer to a particular question would furnish a link in a chain of proof.

Now, if we were before a court, and that question was put to the witness, and the witness refused to answer, we would then be before a judge who could say "Yes" or "No." But if this witness waives any of his constitutional rights and opens up the door in even the slightest, it is my belief that he would thereby waive the immunity, not only of the Constitution, but the immunity of certain Federal statutes, and for that reason he is put in the position where he either has to be absolutely right or he will be indicted for contempt, and he might be convicted for contempt.

Mr. MOSER. Now, look, Counsel, you have given a long dissertation on this subject, but the fact is that he has been asked a very simple question. Let us make it a square issue now. Your client is going to take the chance now on deciding whether or not he is going to answer the question or be guilty of contempt. Mr. Robinson, will you please ask the question again, or will the stenographer please read it, and then let him decide specifically what the chances are that he is going to take.

Mr. ROBINSON. I will repeat the question.

Will you name the country club of which you are a member?

Mr. MAY. I decline to answer that question on the ground that any evidence I give might tend to incriminate me.

The CHAIRMAN. Just at this juncture, the committee instructs the witness to answer the question.

Mr. McFARLAND. Do you decline for that reason?

Mr. MAY. I decline to answer on the grounds I just stated.

The CHAIRMAN. All right. Next question.

Mr. ROBINSON. Now I am going to ask you a fair question, Mr. May.

Is the refusal on your part to answer these questions based upon the fact that they may tend to incriminate you, or are you fearful of some

physical injury as a result of any information you might give to this committee?

Mr. MAY. I will be glad to answer that. My refusal is based entirely both from the Federal and State point of view, on the point that any evidence I give might be used against me in both Federal and State courts.

Mr. MOSER. In a criminal proceeding?

Mr. MAY. That is right. There are criminal proceedings pending against me in Cook County, Ill., now.

Mr. ROBINSON. And it is not through any fear of any injury which you may suffer as a result of any testimony you might give here?

Mr. MAY. If it was not for that, I would be glad to cooperate with this committee, and I am not trying to flaunt the committee, I am just trying to protect my own rights. I certainly do not want to be discourteous.

Mr. ROBINSON. Well, would the name of a country club by the name of the Tam O'Shanter Country Club, which is located outside of Chicago, would that be the correct name?

Mr. MAY. I must decline to answer that one question, because one question leads to another, and I must decline to answer it because any answer I give might tend to incriminate me.

Mr. McFARLAND. If it would aid the committee, why doesn't the committee assume that?

The CHAIRMAN. If you will stay on your side, we will stay on ours. Please do not tell us what we are to do. We are well aware of our rights, and we want to accord you an opportunity to avail yourself of yours.

Mr. MAY. I am not trying to be disrespectful. I am trying to cooperate.

Mr. ROBINSON. May I make this suggestion, from the viewpoint of saving time, that if the witness refuses to answer it will be understood that he will be directed to answer by the chairman.

The CHAIRMAN. Yes. It might expedite matters, rather than stopping after each question, to say that the chairman instructs you to answer it, and then Mr. May will repeat his declination, and if it is understood that is to be the procedure on each of the questions, that we instruct the witness to answer, and if he declines in the first instance, that he will have declined again?

Mr. McFARLAND. May it be further understood that all of the objections set forth in this formal statement of objections are to be considered as made to each question put to the witness.

The CHAIRMAN. That is right. In other words, at the outset he has stated this as a general attitude and bearing.

Mr. MAY. May I have another drink of water?

The CHAIRMAN. Help yourself.

Mr. ROBINSON. Mr. May, can you describe to the committee the type of business that your company performs services for?

Mr. MAY. Well, the first thing we do——

Mr. McFARLAND. When you say "your company," you are referring to the George S. May Co.; is that right?

Mr. ROBINSON. Yes; the George S. May Co.

Mr. MAY. The first thing we do is to solicit you as a manufacturer, a businessman, or a banker, to come in and make a survey, and we charge you \$100 for that survey.

Then we send in two men, and we get about 50 new jobs every week. At the present time we have nearly 200 waiting that we cannot start, most of it being defense work for the Government.

We come in and make the survey, and then we bring in the report, and we say to you, "Here is what we can do," and then you decide whether to go ahead with it or not, and if you do, then we go into the work, and for that work we charge \$20 an hour per man to make those recommendations.

We have no contracts with any concern, and I could be out of business at 6 o'clock tonight if everybody wanted to terminate their services. We have no set system.

I started in business February 1, 1925, and I have had 26,700 clients in that time.

MR. ROBINSON. Well, is there any particular type of business that you serve more than any other?

MR. MAY. We have had everything from cemeteries to governments. We organized several governments.

THE CHAIRMAN. Well, do you have a staff including experts in different fields of operation, so that if tomorrow an engineering firm in New York would request your services, and the next day a totally different operation in the South requested your services, that you would have experts whom you would be able to send to each of those places?

MR. MAY. You must be quite familiar with the psychology of our business. If we have a furniture job, and we had a furniture man and a foundry man in our place, one who is experienced or versed in those two different trades, we would only send the foundry man to the furniture factory, because he most likely would see things that the furniture man would not see.

MR. ROBINSON. Excuse me. Had you finished, Mr. Chairman?

THE CHAIRMAN. Go ahead.

MR. ROBINSON. Does your company perform services for companies like General Motors?

MR. MAY. Yes, sir.

MR. ROBINSON. Or Chrysler?

MR. MAY. Yes.

MR. ROBINSON. Have you had those companies as clients?

MR. MAY. Yes, sir.

MR. ROBINSON. You mentioned a moment ago of the reorganization of several governments. Could you specify what they were?

MR. MAY. I forget how many Provinces of Canada we have had, but we have had Saskatchewan and Alberta, and a couple of others. I don't get out on these jobs myself. We have organized cities, municipal governments, and we had one in your State, Senator.

SENATOR TOBEY. What town was that?

MR. MAY. Manchester, I believe, Manchester or Concord, several years ago.

SENATOR TOBEY. Do you have copies of the ads that you put out, soliciting business?

MR. MAY. No. We just run one-sentence ads on the theory that if you look at it you have got to read it. Right now, as I said, our ad is a very daring ad, and it reads:

We charge more than anybody else in the business. Why?

And that has not been run, an ad of that kind has never been run before.

The CHAIRMAN. Was that in Nation's Business?

Mr. MAY. Yes, and in every newspaper in the United States.

The last ad that we ran, read:

The road to bankruptcy is paved with wasted assets.

These are all one-sentence ads, all the time, and if you will look in the daily newspapers on Mondays and Tuesdays every 3 weeks, you will see that ad on the financial page.

Mr. ROBINSON. Can you name any other companies of the size and stature of General Motors with whom you have had contracts?

Mr. MAY. Offhand, I cannot. We are under \$100,000 bond, every employee I have with us is under bond, with the U. S. F. & G. of Baltimore, not to divulge the names of the companies, and I could be held for \$100,000 if this information got out.

Now, you asked me about those two companies, and I have worked a lot for General Motors at different times.

Mr. MOSER. Why is the information with regard to who your clients are confidential?

Mr. MAY. Because it is confidential information. A lot of concerns—suppose you are in the washing-machine business, let us take Maytag, up at Newton, Iowa, and you have us in there, and you do not want the Thor machine to know that you have got us in there—you see, it is confidential. Our work is very confidential. We remove presidents and we remove vice presidents, and we go into banks and make recommendations.

Mr. MOSER. You are rendering an ordinary professional service, aren't you?

Mr. MAY. Yes; but it is very confidential. Nobody gets a copy of our report, only the president. It is very highly confidential.

Mr. MOSER. I should think you would be proud of the people you have as customers.

Mr. MAY. We are. But we are under bond not to give that information out.

Mr. MOSER. Don't your competitors state who their customers are?

Mr. McFARLAND. Mr. Moser, aren't we getting a little far afield?

Mr. MOSER. No; we are trying to ascertain the character of this man's business. It seems peculiar that anyone in an ordinary profession or business should think that it had to be kept secret.

Mr. McFARLAND. Let me ask you, what would this have to do with organized crime?

Mr. MOSER. Are you objecting to the question?

Mr. McFARLAND. No; I am just inquiring.

The CHAIRMAN. Counsel, it seems to us that it is pertinent to the inquiry of the witness, in a general way, not every detail of his business, but just in a general way, who his clientele is, and in what particular fields of operation he is engaged.

Mr. MAY. Let me answer that question, if I may. This client was with me last Wednesday night, and I will answer your question in detail, and take a chance. I am just stating what happened there.

Mr. C. C. Johnson, president of an oil company, I forget the name, it is a grease company, I think it is Esco, came to see me last Wednes-

day night and had dinner with me, and he said, "You have told me probably a hundred things, and ninety of them I did not like."

Now, this may answer your question, "But it was good for me, and I took it." And he has paid us a tremendous sum of money, \$65,000, and we will probably be there another year.

Understand now, he can cancel out any time he wants to. There are certain things that we found in that company that I could not divulge under any oath, it is too highly confidential.

The CHAIRMAN. Of course, you realize you were not asked that question.

Mr. MAY. No; but we run into a lot of defalcations, and a lot of income-tax trouble, and we have reported many cases to the Internal Revenue Department.

Mr. MOSER. You have reported cases of your clients to the Income Tax Department?

Mr. MAY. Yes; where certain things were not right. We consider that our duty, to do that.

Senator TOBEY. Did you also report when you saw evidences of gambling going on, where they were breaking the laws of Illinois? Did you take that to the authorities in Illinois?

Mr. MAY. Well, I am talking about——

Senator TOBEY. No; that is the question. Did you or did you not?

Mr. MAY. I am talking about my clients.

Senator TOBEY. Answer that question.

Mr. MAY. I don't understand.

Senator TOBEY. Well, you are full of self-righteousness because you take information about income-tax evasion to the authorities, and that is very commendable; but when there came to your notice evidences of gambling in Illinois, which is illegal in the State of Illinois, did you then take that information to the proper authorities?

Mr. MAY. I must decline to answer that question.

Senator TOBEY. Why?

Mr. MAY. It might incriminate me.

Senator TOBEY. Oh, so you hold your self-righteousness in your right hand, and your left hand does not know what you are doing? So you report any irregularities you find as to income-tax matters, but not as to gambling matters?

Mr. MAY. I cannot answer that.

Senator TOBEY. Why can't you answer it?

Mr. MAY. It might incriminate me.

Senator TOBEY. Well, you are going to be in a hot spot before we get through with you, I will tell you that.

Now, do you know Tony Accardo?

Mr. MAY. Never heard of him.

Senator TOBEY. Jake Guzik?

Mr. MAY. No, sir.

Senator TOBEY. Fischetti?

Mr. MAY. I don't know him.

Senator TOBEY. Do you know the Capone mob or the remnants of it?

Mr. MAY. All I know is what I have heard of it.

Senator TOBEY. Do you know them?

Mr. MAY. No, sir.

Senator TOBEY. None of them?

Mr. MAY. No, sir.

Senator TOBEY. What are you indicted for in Illinois?

Mr. McFARLAND. He did not say that he was indicted.

Senator TOBEY. Well, what is the charge against you there?

Mr. MAY. It is in that report.

Senator TOBEY. I know, but what is the charge? You tell me.

Mr. MAY. I don't know.

Senator TOBEY. Do you mean that he doesn't know what the charge is against him?

Mr. McFARLAND. Just a minute. He is under a ruling for contempt in the State of Illinois, and the statute of limitations, as we have set forth in our statement of objections, has not run. We have reason to believe, as is set forth in that statement of objections, that there is pending and has been pending since last July in Cook County, Ill., either an indictment for the violation—or a proceeding, rather than an indictment—a proceeding before a grand jury to obtain an indictment either for violation of gambling laws or a conspiracy to violate the gambling laws.

Senator TOBEY. Yes.

Mr. MAY. If this committee was in session on January 5 I would answer every question that was asked me.

Senator TOBEY. January 5 last year or next year?

Mr. MAY. If it was in session I would answer every question, and that ought to prove my sincerity to you. If you could get an agreement from John Boyle not to prosecute me, I would testify tomorrow.

Senator TOBEY. Who is John Boyle, the Democratic national chairman?

Mr. MAY. No; the State's attorney in Cook County, Ill. I am sincerely afraid of him, and I am honest about this.

Mr. ROBINSON. Mr. May, may I ask you a question in connection with your last statement? I understand that you say that you would give full information to this committee if it were not for the fact that Mr. Boyle, who is State's attorney of Cook County, would take some action against you; is that correct?

Mr. MAY. Certainly.

Mr. ROBINSON. Is that the basis upon which you are refusing to answer these questions?

Mr. MAY. It certainly is.

Mr. McFARLAND. He has answered—

Mr. ROBINSON. Wait a minute. Let the witness answer the question. The answer was "Certainly." And it is not on the basis that it would tend to incriminate you so far as any Federal statute is concerned; isn't that correct?

Mr. MAY. I don't know the Federal statute. I just made that statement to include it. There are newspaper clippings from the Chicago Tribune and the Chicago Daily News, that if they can get me to testify before this committee, they will then indict me for something there.

Mr. ROBINSON. You are speaking of a State violation?

Mr. MAY. Yes; because so far no Federal violation has been charged.

Mr. MOSER. I think it has been made clear that the claim of immunity is based upon the fear of prosecution for the violation of a State law, and not upon the fear of the violation of a Federal law.

Mr. McFARLAND. The answer to that, so that this record will be clear, that is the statement of Mr. Moser as counsel, and it is not supported by the answers which have been given to some prior questions. The witness said that he refused to answer these questions for fear of incrimination, both with respect to Federal and State charges, and he said that with respect to a Federal charge that none had been brought against him yet, but that does not mean that they will not be brought.

The CHAIRMAN. The committee is of the exact opinion as expressed by Mr. Moser, that thus far there has not been a scintilla of evidence, there has not been the slightest indication that the witness is refusing to answer on the ground that such answers might incriminate him in a Federal offense.

Mr. MAY. I said that in one of my answers. I said that in one of my answers a while ago, both Federal and State.

Mr. MOSER. We think the record is clear and we will stand on the record.

Proceed with the examination.

The CHAIRMAN. Yes; proceed, Mr. Robinson.

Mr. ROBINSON. There was one other statement made in response to Senator Tobey's question, I believe, and that was that you had never heard of Tony Accardo.

Mr. MAY. I did not know him. He asked me if I knew him.

Mr. ROBINSON. I think the question was whether you had heard of him, and the answer was that you never heard of him.

Mr. MAY. He asked if I knew him.

Mr. ROBINSON. But you have heard of him?

Mr. MAY. Certainly.

Mr. ROBINSON. You do not know him?

Mr. MAY. No, sir.

Mr. MOSER. Have you ever met him?

Mr. MAY. No, sir; I never had any occasion to meet those fellows.

Mr. ROBINSON. What is your position with the May Engineering Co., Mr. May?

Mr. MAY. I am managing partner. I have a partnership with my three children, and I am managing partner.

Mr. ROBINSON. It is not a corporation?

Mr. MAY. No, sir. We have a corporation that is a holding company that owns all the assets, and the partnership leases from the holding company the assets of the holding company.

Mr. ROBINSON. Now, without going into any detail, what functions do you perform for the company, other than the general operation of the administration of the business?

Mr. MAY. Well, we have a strict line of authority in the company, and I only deal through one man, John Paul Jones, my general manager. I never go below him. If an engineer writes me a letter, I turn it over to Jones. So my job is managing Jones.

Mr. ROBINSON. Does all your business come from your advertising?

Mr. MAY. None of it—directly.

Mr. ROBINSON. Do you travel throughout the country yourself?

Mr. MAY. Oh, yes.

Mr. ROBINSON. And do you make contacts with businessmen?

Mr. MAY. Yes, sir. I was on the road during the time when I was catching the devil for not being with you fellows.

Mr. ROBINSON. Now, do you have other means of making contacts with businessmen, other than traveling throughout the country?

Mr. MAY. I have about 125 men who do nothing all day long except to call on concerns, trying to sell them this preliminary survey.

Mr. ROBINSON. I am speaking particularly of yourself; do you have any other way of making contacts with businessmen?

Mr. MAY. Just calling them on the phone, or talking to them, wherever there is trouble. My principal ad, you asked me about one of my ads, and the best ad we ever run is that:

A good manager only concerns himself with variations from standard.

So my job is to watch this——

Senator TOBEY. That is kind of a platitude, isn't it: "A good manager only concerns himself with variations from standard?"

Mr. MAY. That is right. We have a certain standard in all three of our divisions, and when it falls below that, that is my job.

Mr. ROBINSON. Do you occasionally make contact with these businessmen at the golf club of which you are a member?

Mr. MAY. I did not get that question.

Mr. ROBINSON. Do you make contact with the businessmen through the golf club of which you are a member?

Mr. MAY. That is all done by telephone. I hang on the telephone all day long.

Mr. ROBINSON. Now, do you have any financial interest in the golf club of which you are a member?

Mr. MAY. I must decline to answer that, Mr. Robinson, on the ground that any testimony I give might incriminate me.

Mr. ROBINSON. Would you specify to the committee what the company called Tam O'Shanter Inc. is, if you know?

Mr. MAY. I must decline to answer that one also, on the same grounds, that any testimony I give might tend to incriminate me.

Mr. MOSER. Mr. Witness, is this statement filed by you?

Mr. McFARLAND. It is filed by me as his attorney.

Mr. MOSER. But he authorized its filing? Do you authorize its filing?

Mr. McFARLAND. Yes, he does.

Mr. MAY. Yes.

Mr. MOSER. You do?

Mr. MAY. Yes.

Senator TOBEY. Have you read the statement yourself?

Mr. MAY. Yes, I read it on the plane coming down here last night.

Senator TOBEY. And do you approve of it?

Mr. MAY. Well, he is my attorney.

Senator TOBEY. No; answer the question, Do you approve it?

Mr. MAY. Certainly.

Mr. MOSER. Is the Tam O'Shanter Inc. a nonprofit organization?

Mr. MAY. I must decline to answer.

Mr. MOSER. I call your attention to this fact: You have stated in this statement, which you have authorized——

Mr. McFARLAND. That is my statement, not his statement.

Mr. MOSER. But you have filed it on his behalf, and it says that the Tam O'Shanter Country Club is a nonprofit corporation. Now, do you still refuse to answer my question?



Mr. MAY. Well, I don't know.

Mr. MOSER. Well, will you decide?

The CHAIRMAN. You may consult with your counsel and then answer.

(Mr. May consulted with his attorney, Mr. McFarland.)

Senator TOBEY. And nonprofit means directly or indirectly.

The CHAIRMAN. What is your answer?

Mr. MAY. It is incorporated as a nonprofit organization under the laws of the State of Illinois.

Mr. MOSER. Excuse me just a second, please.

Mr. ROBINSON. All right; go ahead.

Mr. MOSER. Does the Tam O'Shanter Country Club purchase any materials from outside the State of Illinois?

Mr. MAY. No, sir.

Mr. MOSER. Does it receive any information used in connection with its operations from outside the State of Illinois?

Mr. MAY. No, sir, not to my knowledge.

Mr. MOSER. What is the character of your knowledge of the operations of the Tam O'Shanter Country Club?

Mr. MAY. Well, only what I get from my managers.

Mr. MOSER. Your managers?

Mr. MAY. Yes; my main business is engineering, that is my bread and butter.

Mr. MOSER. You have raised the question as to the method of the operation of this country club, and I would like to go into it in some detail. As to your managers, are they employed by you?

Mr. MAY. I must decline to answer that question on the ground that it will lead to other questions that may tend to incriminate me.

Mr. MOSER. My position is that you have opened the door with regard to the operation of this country club, and we would like to ascertain whether its operations are such as to involve any interstate activities outside of the State of Illinois.

Mr. MAY. I can answer that. It does not involve those activities.

Mr. MOSER. You say that generally. We want to be specific.

Mr. MAY. I will say it specifically.

Senator TOBEY. Have you ever been in the Tam O'Shanter Country Club?

Mr. MAY. I must decline to answer that, in that it might lead to other questions—

Senator TOBEY. Why?

Mr. MAY. Because it might lead to other questions—

Senator TOBEY. To your knowledge, are there any slot machines in the Tam O'Shanter Country Club?

Mr. MAY. I must decline to answer that on the ground that any information I may give may tend to incriminate me.

Senator TOBEY. How can it incriminate you if there is nothing illegal about it?

Mr. MAY. I would be indicted in Cook County.

Senator TOBEY. They cannot do anything if you are not guilty, can they?

Mr. MOSER. When you are at this country club do you ever telephone to your clients outside the State of Illinois.

Mr. MAY. All of my telephoning is done from 205 West Wacker Drive, where I spend practically all of my time, and New York and San Francisco and Montreal.

Mr. MOSER. Do you ever discuss your engineering business with any of the members of the club while you are at the club?

Mr. MAY. I don't remember ever discussing anything with them—Well, I don't because I don't transact business out there in the country club.

Mr. MOSER. Who operates the club?

Mr. MAY. A board of directors.

Mr. MOSER. A board of directors?

Mr. MAY. Yes.

Mr. MOSER. Where do they live?

Mr. MAY. I don't know their addresses. I know about where they live.

Mr. MOSER. What are their names?

Mr. MAY. I cannot give you that information, because——

Mr. MOSER. How could that incriminate you?

Mr. MAY. I feel that it would. I don't know.

Mr. MOSER. What are the names of the directors?

Mr. MAY. I decline to answer that on the ground that it might tend to incriminate me.

The CHAIRMAN. Is it a matter of record?

Mr. MAY. Certainly.

Mr. McFARLAND. Just a moment. You say it is a matter of record? I doubt that it is officially a matter of record.

Senator TOBEY. Well, Mr. Counsel, don't they have to hold directors' meetings once in a while, or is that a pro forma thing?

Mr. McFARLAND. No. I believe from what I know, that they do have directors' meetings.

Senator TOBEY. There must be a record kept by the clerk of those directors' meetings.

Mr. McFARLAND. Well, I am not connected with the Tam O'Shanter Country Club; no, sir.

The CHAIRMAN. Let us ask the witness, not counsel.

Senator TOBEY. Mr. Witness, the board of directors holds meetings once in a while; does it not?

Mr. MAY. I will decline to answer that question on the ground that it might lead to other questions which might tend to incriminate me.

Senator TOBEY. Do you know whether or not records are kept by the directors?

Mr. MAY. I decline to answer that.

Senator TOBEY. Do you know who the directors are?

Mr. MAY. I decline to answer.

Senator TOBEY. Or the clerk?

Mr. MAY. I decline to answer.

Senator TOBEY. Do you know where the records are kept?

Mr. MAY. I decline to answer that.

Mr. McFARLAND. State on what grounds.

Mr. MAY. On the ground that any testimony I give might tend to incriminate me.

Mr. MOSER. Does the golf club sell golf clubs and balls?

Mr. MAY. I imagine so.

Mr. MOSER. Where does it buy them?

Mr. MAY. Well, all of the golf companies have Chicago branches, such as Spalding, Wilson, Acushnet, and those companies.

Mr. MOSER. Does it purchase any by mail?

Mr. MAY. Salesmen come around and sell them.

Mr. MOSER. How many telephones are there in this golf club?

Mr. MAY. I have no idea.

Mr. MOSER. Does it have a switchboard?

Mr. MAY. Certainly.

Mr. MOSER. Do they make long-distance calls from there?

Mr. MAY. Not to my knowledge. I never made any.

Mr. MOSER. You have never made a long-distance call from there?

Mr. MAY. I may have called my mother in St. Petersburg, Fla., and my daughter in Pasadena, Calif.

Mr. MOSER. You have never called anybody but members of your family from the club via long distance?

Mr. MAY. No.

Mr. MOSER. Have you ever made a telephone call from outside Illinois in to the golf club?

Mr. MAY. I don't remember any. I always call my home office. I have a secretary, a man secretary, who manages all of my business, and everything clears through him at 205 West Wacker Drive.

Mr. MOSER. What is his name?

Mr. MAY. John Coffey.

Mr. MOSER. Who is the manager of the country club?

Mr. MAY. I must decline to answer that on the ground that it will lead to other questions which, if I give testimony on——

Mr. MOSER. You give us the impression that the entire operation of this club is a criminal activity; is that the truth?

Mr. MAY. I would like to invite you out there to see it.

Mr. MOSER. That is not the answer to the question.

The CHAIRMAN. We would rather have you answer the question specifically.

Mr. MOSER. I say, you give us the impression that the operation of this club is a criminal activity.

Mr. MAY. It certainly is not. It is the finest club in the world.

Mr. MOSER. Have there ever been any slot machines there?

Mr. MAY. I must decline to answer that on the ground that any testimony I give would tend to incriminate me.

Senator TOBEY. Has the club ever been raided?

Mr. MAY. I decline to answer on the grounds it may tend to incriminate me.

Senator TOBEY. Do you know of any raids having been made?

Mr. MAY. I decline to answer on the grounds it may tend to incriminate me.

Senator TOBEY. Why would that incriminate you, if it was raided?

Mr. MAY. Well, I am just afraid it would.

Senator TOBEY. You say it is the finest club in the world, and then you say that you cannot admit whether it has ever been raided on criminal charges.

Mr. MAY. I am trying to protect my constitutional rights, Senator.

Senator TOBEY. Why are your rights in that above the rights——

Mr. MAY. I think you would feel the same way I did, if you were in my position.

Senator TOBEY. Maybe.

Mr. MOSER. Who owns the real estate on which the club is situated?

Mr. MAY. I must decline to answer that on the ground it may lead to other questions which may tend to incriminate me.

Mr. MOSER. It is a matter of record in the county courthouse?

Mr. MAY. I suppose so.

Mr. MOSER. Then tell us.

Mr. MAY. I decline to tell you. I don't know where the records are.

Mr. MOSER. Your reason for declining is that you don't know?

Mr. MAY. No. My reason is that it would lead to other questions which, if I gave testimony on, might tend to incriminate me.

The CHAIRMAN. That is not a valid reason. You are being advised by capable counsel, and that in itself is not a valid reason.

Mr. MAY. If you will let me see what he says, I will do what he says. (Mr. May conferred with his counsel, Mr. McFarland.)

Mr. ROBINSON. Are you ready?

Mr. MAY. Yes.

Mr. ROBINSON. You say that the answer to that question might tend to incriminate you, and is that the reason why you refuse to answer?

Mr. MAY. Yes, sir.

Mr. MOSER. What is the name of the holding company that owns the assets?

Mr. MAY. I refuse to answer that question for the same reason.

Mr. MOSER. That owns the engineering company, the assets of the engineering company.

Mr. MAY. George S. May, Inc.

Mr. MOSER. Is that the name of the holding company?

Mr. MAY. That is right.

Mr. MOSER. And the names of the partners in the partnership, your children, they are your partners—what are their names?

Mr. MAY. The partners have leased—

Mr. MCFARLAND. No, he wants the names of the partners.

Mr. MOSER. Your children, I guess.

Mr. MAY. Jean May Rech, Dale Steward May, and Dorothy Canty.

Mr. MCFARLAND. And yourself.

Mr. MAY. Yes; and myself.

Mr. MOSER. Are they directors of George S. May, Inc.?

Mr. MAY. They have no connection with it.

Mr. MOSER. They have no connection with it?

Mr. MAY. No.

Mr. MOSER. Who owns the stock of George S. May, Inc.?

Mr. MAY. Sir?

Mr. MOSER. Who owns the stock of George S. May, Inc.?

Mr. MCFARLAND. Just a minute, Mr. Chairman. Again I want to repeat for the record, it is understood that as to all of these questions I am not raising specific objections, even though I think they are improper and beyond the scope of the committee, but that all of the objections that have been made to any of the questions on my behalf stand to each of these questions.

The CHAIRMAN. That is right. That is understood.

Mr. MOSER. Are you objecting to the questions in regard to the operations of George S. May, Inc.?

Mr. McFARLAND. As a legal matter, I am objecting to them because, frankly, I think they are far beyond the scope of the authority of this committee.

Mr. MOSER. Your objection is noted.

Who owns the stock of the holding company?

Mr. MAY. Mrs. May and myself, and there are a few minor stockholders; I think there are about ten who were given some stock about 20 years ago.

Mr. MOSER. Who are the directors of it?

Mr. MAY. Mr. C. A. Parson and myself, and who is the other one?

Mr. McFARLAND. I think John Paul Jones, I believe. I believe that to be true.

Mr. MAY. The holding company does not transact much business.

Mr. MOSER. Do any of the partners of George S. May & Co. belong to the country club, to the Tam O'Shanter Country Club?

Mr. MAY. No, sir.

Mr. MOSER. None of them do?

Mr. MAY. No, sir.

Mr. MOSER. Do any of them have any financial interest in the country club?

Mr. MAY. I must decline to answer that on the ground that it might lead to other questions financially, that might tend to incriminate me.

Senator TOBEY. Do you know who killed William Drury?

Mr. MAY. If I did, I would tell you.

Senator TOBEY. I asked you a question. Is your answer "Yes" or "No"?

Mr. MAY. No, sir, but there was a man on the radio last night who gave the initials of the man who killed him.

Senator TOBEY. What were the initials?

Mr. MAY. "N. B." and "H. S. K."

Senator TOBEY. What do they stand for?

Mr. MAY. I have no idea.

Senator TOBEY. Who was the man who gave the initials?

Mr. MAY. I think it was Drew Pearson. I know I heard it.

Mr. ROBINSON. I believe you made a statement that the Tam O'Shanter Country Club was the finest country club in the world; is that correct?

Mr. MAY. Well, maybe I am tooting my own horn.

Mr. MOSER. Yes.

Mr. ROBINSON. And that none of its operations were illegal; is that correct?

Mr. McFARLAND. I don't think he made that statement.

Mr. MAY. I said "are illegal."

Mr. ROBINSON. Are any of the operations, to your knowledge, of the Tam O'Shanter Country Club illegal, in your opinion?

Mr. MAY. No, they are not. You said "are illegal?"

Mr. ROBINSON. Yes.

Mr. MAY. Not at this time.

Mr. MOSER. Not at this time?

Mr. MAY. That is right.

Senator TOBEY. When did they stop being illegal? When did you put the "hush-hush" on?

Mr. MAY. I must decline to answer that question.

Senator TOBEY. There was a time when you rung down the curtain because of fear of prosecution in Illinois, and stopped. What was going on there?

Mr. MAY. There were 21 other clubs in Chicago——

Senator TOBEY. I did not ask you that.

Mr. MAY. I must decline to answer on the ground any testimony I give might tend to incriminate me.

Senator TOBEY. No innocent man need worry about anything incriminating him. He can face the world and the devil himself, and nothing can bother him. If you have something in your soul that is going to burn to a cancer, then it is different, and it looks to me as though you are covering up most beautifully. You have not come through clean once.

Mr. MOSER. You stated that none of the operations in this club are illegal. Are there any slot machines there?

Mr. MAY. No, sir.

Senator TOBEY. Were there any there the last 2 years?

Mr. MAY. I decline to answer on the ground that if I give testimony it would tend to incriminate me with the State's attorney of Cook County.

Mr. ROBINSON. And only Cook County?

Mr. McFARLAND. Do you have any other grounds?

Mr. MAY. Federal, maybe, that I am not aware of.

Senator TOBEY. What became of the slot machines that have been taken out?

Mr. MAY. I decline to answer that question, because I don't know.

Mr. MOSER. Were they shipped across the State of Illinois——

Mr. MAY. I decline to answer that question.

The CHAIRMAN. Have the proceeds of any slot-machine operations in the club been divided with anybody?

Mr. MAY. I must decline to answer that question also on the ground that the testimony might tend to incriminate me. If you can call me here January 5, I will answer any question you ask me.

Senator TOBEY. Why?

Mr. MAY. Because the statute of limitation runs out, and I would take a chance on the Federal laws. I am afraid of Cook County.

Mr. ROBINSON. What was the remark you started to make a moment ago about 21 other clubs?

Mr. MAY. Well, it was in the papers Wednesday of this week, in the Chicago Daily News, that 21 other clubs had slot machines.

Mr. MOSER. Is that true?

Mr. MAY. I don't know. I am not responsible for the newspaper statements.

Mr. MOSER. You submitted some newspaper statements here as evidence of something or other, so you must have some confidence in them.

Mr. MAY. On those particular ones I do.

Mr. MOSER. What are the other clubs?

Mr. MAY. I don't know. I have no idea.

Mr. ROBINSON. Now, does the Tam O'Shanter Country Club run tournaments, to your knowledge?

Mr. MAY. I must decline to answer that, for the same reason, that if I did answer it it would lead to other questions, and these other

questions, if I were to give testimony on them, might tend to incriminate me.

MR. MOSER. What I want to know is, would the answer to that particular question tend to incriminate you, and is that the reason you are refusing to answer?

MR. MAY. I am afraid it would.

MR. MOSER. The answer to that particular question?

MR. MAY. It may incriminate me. I am afraid it would.

SENATOR TOBEY. Do you use the Tam O'Shanter Country Club to influence people for the betterment and improvement of your business?

MR. MAY. I must decline to answer that, too, because it will lead to other questions that might incriminate me.

MR. ROBINSON. Mr. May, do you know Edward Vogel?

MR. MAY. I must decline to answer that, too, Mr. Robinson.

THE CHAIRMAN. Why would you decline to answer?

MR. MAY. Because if I gave my testimony it might incriminate me.

THE CHAIRMAN. Why would a mere answer "yes" or "no" as to whether or not you know a certain individual tend to incriminate you?

MR. MAY. I am afraid it would; it might——

MR. McFARLAND. May I answer that, because that presents a legal proposition.

THE CHAIRMAN. He has declined to answer. It is not necessary for you to make an explanation.

MR. McFARLAND. But then you put the question to him why would he?

THE CHAIRMAN. Yes. Before instructing him to answer, we wanted to know on what grounds he declines to give an answer to that one question, as to whether he knows the individual.

MR. McFARLAND. And then he answered, and then you put the question to him as to why it would.

MR. MAY. That is right.

MR. McFARLAND. And that presents a very, very technical legal question that I don't think he is competent to answer, from a purely legal standpoint; but if I might state for the purposes of the record, the decisions of the Federal courts hold that where a witness answers a question, for instance, hereby admitting that he knows or does not know some particular person, having answered that question, you ask him how long he has known him, and then you go into a question of their relationship, if there has been a relationship, over a period of years, and, having opened the door, he would then be compelled to answer all the questions along that line.

THE CHAIRMAN. Counsel, we certainly cannot follow you in that. The very fact that one question is asked, you cannot draw the conclusion that innumerable questions will be asked, because that is for the committee to decide.

Secondly, the very fact that he answered question No. 1 has no bearing upon whether he has a right to decline to answer question No. 6 or 7, if they are propounded, which they may not be.

MR. McFARLAND. I wish that I could agree with you on that as to a legal proposition, but I cannot.

THE CHAIRMAN. All right. Now, the witness does, therefore, decline to state whether he knows Edward Vogel, do you not?

MR. MAY. That is right, on the grounds——

The CHAIRMAN. On what grounds?

Mr. MAY. That any testimony I give may tend to incriminate me.

The CHAIRMAN. Of a Federal offense or a State offense?

Mr. MAY. I will say Federal and State, both, because I don't know on Federal; I admit I am not a lawyer.

The CHAIRMAN. Therefore, you do not make the contention that it would involve you in a Federal offense.

Mr. MAY. Well, I will say it might.

The CHAIRMAN. It might.

Mr. MAY. Yes.

The CHAIRMAN. And you decline also to answer the question as to why you think the answer to the first question would incriminate you.

Mr. MAY. I don't know.

Mr. MOSER. You don't know of any Federal offense, do you?

Mr. MAY. No, because I am not a lawyer.

The CHAIRMAN. All right, next question, Mr. Robinson.

Mr. ROBINSON. Did you ever have any discussions with Mr. Vogel regarding the operation of the Tam O'Shanter Country Club?

Mr. MAY. I am sorry, but I have to decline to answer that on the same grounds, that any testimony I gave—

Mr. McFARLAND. When you say on the same grounds, what grounds do you mean?

Mr. MOSER. Aren't we assuming that the ground has already been stated?

Mr. McFARLAND. I want the record to be sure as to why he refused to answer.

The CHAIRMAN. Let him state his reasons.

Mr. MAY. On the ground that any testimony I give might tend to incriminate me. I had not finished the sentence.

Senator TOBEY. When did you last see or talk by telephone or in person to Mr. Vogel?

Mr. MAY. I must decline to answer on the same grounds, that if I did testify it might be used against me and incriminate me.

Mr. ROBINSON. When did you become a member of the Tam O'Shanter Country Club?

Mr. MAY. I must decline to answer that also.

Mr. MOSER. Isn't it true that on or about the years 1936 to 1938 you acquired the Tam O'Shanter Country Club for approximately \$135,000 paid down, and that you thereafter put about a hundred thousand dollars a year in the club for a period of approximately 10 years?

Mr. MAY. I decline to answer that question, because any testimony that I give might tend to incriminate me.

Mr. ROBINSON. Is it also true that the club burned down around the year 1936 or 1937?

Mr. MAY. It burned down.

Mr. ROBINSON. It did burn down?

Mr. MAY. It did burn down.

Mr. ROBINSON. Wasn't it about that time that you acquired the property?

Mr. MAY. I decline to answer that.

Mr. ROBINSON. Isn't it true that in 1938 you organized a corporation called Tam O'Shanter, Inc., which is the holding company for the operating club?



Mr. MAY. I must decline to answer that, on the ground that if I gave testimony it might tend to incriminate me.

The CHAIRMAN. During the time that you have been in the club, has there been any contract with any vending-machine companies?

Mr. MAY. I must decline to answer that, too.

Senator TOBEY. What caused this fire, spontaneous combustion, things got too hot out there?

Mr. MAY. Defective wiring caused it.

Senator TOBEY. I see.

Mr. MAY. In fact, we have had two fires, both caused by defective wiring.

Mr. ROBINSON. Is it true that you own approximately 93 percent of the stock in Tam O'Shanter, Inc.?

Mr. MAY. Mr. Robinson, I am sorry, but I must decline to answer that, too, on the ground that any testimony that I gave——

The CHAIRMAN. Is that a matter of record, the extent of your holdings?

Mr. McFARLAND. May I answer? I don't think he knows whether it is.

The CHAIRMAN. Well, let him state whether he knows or not.

Mr. MAY. I am not an official of the holding company. I cannot answer that.

The CHAIRMAN. Are you not aware of the extent of your own holdings?

Mr. McFARLAND. I believe the question was, Is it a matter of public record.

The CHAIRMAN. Yes, I will put that question first. Are you aware of the extent of your own holdings?

Mr. MAY. In a rough way.

The CHAIRMAN. Can you state, then, approximately the extent of your holdings?

Mr. MAY. No, because I don't know.

The CHAIRMAN. You do not know?

Mr. MAY. No.

The CHAIRMAN. I thought you said in a rough way that you could tell us, that you could tell us in a rough way.

Mr. MAY. I must decline, because I don't know exactly.

The CHAIRMAN. Tell us to the best of your knowledge, approximately.

Mr. MAY. I don't know; I cannot answer that.

The CHAIRMAN. Are you refusing to answer?

Mr. MAY. That is right, because——

The CHAIRMAN. Let us get this straight, you are refusing to answer the committee on the basis of lack of knowledge?

Mr. MAY. Let me finish. On the grounds that it might incriminate me if I did testify.

The CHAIRMAN. That is the reason?

Mr. MAY. Yes, sir.

Mr. MOSER. You have stated you are not an official of the Tam O'Shanter Country Club.

Mr. MAY. Well——

Mr. MOSER. Or the holding club, the Tam O'Shanter, Inc., you say you are not an official of that?

Mr. MAY. I am sure I am not; am I?

Mr. McFARLAND. Do you want me to answer?

Mr. MOSER. No; I want him to answer.

Mr. MAY. I am not.

Senator TOBEY. Do you hold any position with Tam O'Shanter, Inc.?

Mr. MAY. No, sir.

Senator TOBEY. Other than being a stockholder?

Mr. MAY. No, sir.

Senator TOBEY. Is the arrangement between the Tam O'Shanter Country Club and Tam O'Shanter, Inc., one that the country club pays annually to Tam O'Shanter, Inc., \$75,000 a year as rent?

Mr. MAY. I must decline to answer that on the ground that any testimony I give might tend to incriminate me.

Senator TOBEY. What is the value of the Tam O'Shanter Country Club?

Mr. MAY. I must decline to answer that for the same reason, any testimony I give might incriminate me.

Senator TOBEY. Isn't it true it is worth about a million dollars?

Mr. MAY. I decline to answer that.

The CHAIRMAN. Mr. Moser.

Mr. MOSER. Do you understand that every time you make that statement claiming self-incrimination that you are being instructed to answer by the committee?

Mr. MAY. I certainly do.

Mr. MOSER. You understand that?

Mr. MAY. I certainly do; yes, sir.

Senator TOBEY. How does a person make application to become a member of that country club and enjoy the facilities. Who does he make the application to?

Mr. MAY. I must decline to answer that, because it might lead to other questions that any testimony I gave might incriminate me.

The CHAIRMAN. That is not a valid reason, because it would——

Mr. MAY. That is my answer.

Senator TOBEY. I should think you would be eaten up inside by all of this. Why can't you kick the bucket and come out and make a new start? Tell us the story.

Mr. MAY. Let me make a statement——

Senator TOBEY. Well, you have made a lot of them, and you refuse to answer. We get so tired of it.

Mr. MAY. Well, I withdraw my request.

The CHAIRMAN. You do not desire to make a statement?

Mr. MAY. No, sir.

The CHAIRMAN. Next question.

Mr. ROBINSON. Mr. May, isn't it true that the country club receives about \$120,000 a year as dues?

Mr. MAY. Will you say that again?

The CHAIRMAN. Isn't it true that the country club takes in about \$120,000 annually in dues?

Mr. MAY. I must refuse to answer that question on the ground that any testimony I give might incriminate me.

Mr. ROBINSON. And isn't it true that the country club receives sizable revenues from outside parties?

Mr. MAY. Mr. Robinson, I must decline to answer that question on the ground that any testimony I give might incriminate me.

Mr. ROBINSON. And that it receives approximately \$650,000 from outside parties?

Mr. MAY. I must decline to answer that on the ground that any testimony I give might tend to incriminate me.

Mr. ROBINSON. Isn't it true that the revenue received from the dining room is approximately \$400,000 annually?

Mr. MAY. I must refuse to answer.

Mr. ROBINSON. And from the bar, approximately \$325,000?

Mr. MAY. I must refuse to answer those questions on the ground that it might tend to incriminate me.

Mr. ROBINSON. Isn't it true, Mr. May, that the country club receives as revenue annually approximately \$42,000 from slot machines?

Mr. MAY. I must refuse to answer that question on the ground that any testimony I give might tend to incriminate me.

Mr. ROBINSON. Isn't it true that the total receipts from the slot machines is approximately \$70,000 a year?

Mr. MAY. I must refuse to answer that question on the ground any testimony I give might incriminate me.

Mr. ROBINSON. And that the \$42,000 represents the amount received by the club, and that the difference between \$70,000 and \$42,000 represents the amount that is paid by the club to Ed Vogel, on a 60-40 percent basis?

Mr. MAY. I must decline to answer that question on the ground that any testimony I give might tend to incriminate me.

Mr. ROBINSON. Isn't it true that when you acquired the club that you found slot machines as a part of the physical assets of the club, and that you, in a discussion with Mr. Vogel, made an arrangement to continue the arrangement with the previous owner, that payments from the slot machines would be made to Mr. Vogel on a 60-40 percent basis?

Mr. MAY. I must refuse to answer that on the ground it may tend to incriminate me.

Mr. ROBINSON. Isn't it true, Mr. May, that you at one time had a conversation with Mr. Vogel, shortly after you acquired the club, in which you agreed to continue the previous arrangement?

Mr. MAY. I must decline to answer.

Mr. ROBINSON. With respect to slot machines?

Mr. MAY. I must decline to answer that question on the ground that any testimony I give might incriminate me.

Mr. ROBINSON. Isn't it true also that Mr. Vogel evinced no interest in the profits received from the operation of the wheels which produced an annual revenue of \$60,000?

Mr. MAY. I must decline to answer that question, too, on the grounds that any testimony I give might incriminate me.

Mr. ROBINSON. Isn't it true also, Mr. May, that you at one time purchased 8 or 10 slot machines from the Mills Co., and put those in the club, along with the other slot machines?

Mr. MAY. I must decline to answer that question on the ground that any testimony I give might incriminate me.

Mr. ROBINSON. Isn't it true also, Mr. May, that shortly after you put these new machines in the club you received a visit from the

sheriff, or somebody from the sheriff's office in the county, in which the Tam O'Shanter Country Club is located?

Mr. MAY. I must decline to answer that on the ground that any testimony I give might incriminate me.

Mr. ROBINSON. Isn't it true also that this individual suggested to you that you call a certain number?

Mr. MAY. I must decline to answer that question, too, on the ground that any testimony I give might incriminate me.

Mr. ROBINSON. And isn't it true that you called the number suggested, and that the party on the other end of the line asked you how much you paid for the new machines?

Mr. MAY. I must decline to answer that question on the ground that any testimony I give might incriminate me.

Mr. ROBINSON. And shortly after the conversation, isn't it true that you received a check or funds through the mail to compensate you for the amount of money that you spent for the slot machines in the sum of approximately \$1,800?

Mr. MAY. Mr. Robinson, I decline to answer that question on the grounds that it may incriminate me.

Mr. ROBINSON. Now, isn't it true that every week, around the first of the week, a man named Julius comes to the country club and sits down with a man named Rezek, who is an employee of the club, and at that time counts the proceeds received from the slot machines, and makes the 60-40-percent distribution?

Mr. MAY. I must decline also to answer that question, on the ground any testimony I give might incriminate me.

Mr. ROBINSON. Is it true, Mr. May, that the club was raided on July 4 of last year?

Mr. MAY. I must decline to answer that question on the ground that any testimony I give might incriminate me.

Mr. ROBINSON. The answer to that question would incriminate you?

Mr. MAY. Yes, sir.

Mr. ROBINSON. As to whether the club was raided on July 4, 1950?

Mr. MAY. That is my answer, that is my answer.

Mr. ROBINSON. Is it true that the club received prior notification of that raid?

Mr. MAY. I must decline to answer that question on the ground that any testimony I give might incriminate me.

The CHAIRMAN. In any instance, to your knowledge, was the club advised in advance of the fact that a raid was to be made?

Mr. MAY. I just answered that, if I gave testimony it might incriminate me.

The CHAIRMAN. In any case?

Mr. MAY. In answer to that question.

The CHAIRMAN. All right.

Mr. ROBINSON. Is it true, Mr. May, that prior to any impending raids, the country club or some official or some employee of the country club was ordinarily tipped off in advance?

Mr. MAY. Mr. Robinson, I must decline to answer that, too, because if I gave testimony on it it might incriminate me.

Mr. ROBINSON. And is it true that the tip usually came from a person by the name of Nicky?

Mr. MAY. I must decline to answer that question on the ground that if I gave testimony it might incriminate me.

Mr. ROBINSON. Has Tony Accardo ever been at the Tam O'Shanter Country Club?

Mr. MAY. Well——

The CHAIRMAN. Answer the question. Has he ever been there?

Mr. MAY. Not to my knowledge. I don't know the man.

Senator TOBEY. You what?

Mr. MAY. I never met the man. I don't know him.

Mr. ROBINSON. Has Mr. Vogel ever been at the country club?

Mr. MAY. I decline to answer that question on the grounds if I testified it might be used against me to incriminate me.

Mr. ROBINSON. To your knowledge is he a complimentary member of your club?

Mr. MAY. I must also decline to answer that, because if I gave testimony it might be used to incriminate me.

Mr. MOSER. Is he a member of the club?

Mr. MAY. I must decline to answer that, Mr. Moser, on the grounds that it might tend to incriminate me.

Mr. ROBINSON. Mr. May, do you know or have you heard whether any other country clubs in Chicago operate slot machines?

Mr. McFARLAND. Just a minute now. That is a double-pronged question.

Mr. ROBINSON. It is not double pronged, it is a very simple question that can be answered very easily.

The CHAIRMAN. What is your objection?

Mr. McFARLAND. The objection is that first he asked, does he know, which would, in my opinion, require personal knowledge.

Mr. MAY. The question was did I know.

Mr. McFARLAND. And the second part was, "have you heard."

Mr. ROBINSON. Well, I will break it down.

Do you know of any other country club that operates slot machines?

Mr. MAY. I do not, personally.

Mr. ROBINSON. Have you heard that any do?

Mr. MAY. I have heard it through the newspapers this week.

Mr. ROBINSON. What clubs were those that you heard had operated slot machines?

Mr. MAY. The Chicago Daily News did not give a list of them.

Mr. ROBINSON. Mr. May, do you recall giving me the information in a talk I had with you in December of 1950 concerning the facts which I have just mentioned in the questions I have asked you?

Mr. McFARLAND. Just a moment. When you say December 1950, are you sure that that is the right date?

Mr. ROBINSON. Well, December, November, or October.

The CHAIRMAN. In the fall of last year, let's say then, if there is any question about the date it can be cleared up.

Mr. MAY. I must decline to answer that question.

The CHAIRMAN. Mr. May, in the statement you have submitted today, it starts off by making a recital of the facts in connection with this very conference.

Mr. MAY. I still decline to answer it on the ground——

The CHAIRMAN. Then are we to understand——

Mr. MAY (continuing). That if I did give it it might incriminate me.

The CHAIRMAN. Let me read what you have stated:

On October 30, 1950, George S. May, a resident and citizen of the State of Illinois, appeared at the offices of this committee in Chicago, Ill., together with his attorney, pursuant to the request of said committee communicated through his attorney, and said committee was then and there given all the information that was requested of George May and his attorney. Said hearing was not a public hearing. The questions were there propounded by Mr. George S. Robinson, Mr. Patrick Kiley, and Mr. Edward Norton, attorneys, agents, or representatives of the committee; and the information given to the committee representatives pursuant to the questions then and there propounded was true and correct.

Mr. MAY. That statement is by my attorney, and not by me.

The CHAIRMAN. You make it, do you not?

Mr. MAY. No; he makes it.

The CHAIRMAN. Just a moment. Do you disavow it?

Mr. MAY. I did not make the statement.

Senator TOBEY. You said a few minutes ago that you concurred in it and approved it.

Mr. MAY. He made the statement, and I did not.

Senator TOBEY. You said you approved it and concurred in it.

Mr. MOSER. This was filed by your counsel on your behalf, and you have, before this committee, approved it.

Mr. MAY. I have not signed it.

Mr. MOSER. You have approved it orally.

The CHAIRMAN. I am reading from witness exhibit No. 1, your exhibit. Now, can you reconcile that with your present statement that you decline to answer when you are asked a direct question with respect to the very matter which is incorporated in the first paragraph of your own statement?

Mr. McFARLAND. May I make a statement?

The CHAIRMAN. Well, counsel, we would prefer to hear from the witness and then, of course, any advice you may wish to give him, you may do so, but you are not a witness.

Mr. McFARLAND. I understand.

The CHAIRMAN. I do not wish to prevent you——

Mr. McFARLAND. Here is a document which I have prepared——

The CHAIRMAN. I do not think it is necessary to explain to us the legal purport of it. It has been adopted by the witness, and it has been marked as "Witness Exhibit No. 1."

It seems to be a very inconsistent position when he disavows the matter contained in the opening of his own statement.

Mr. MOSER. Mr. May, is it true that questions were propounded to you back in October 1950 by Mr. George S. Robinson, Mr. Patrick Kiley, and Edward Norton, attorneys, agents, or representatives of this committee, and the information given to the committee representatives pursuant to the questions then and there propounded was true and correct?

Is that statement true?

Mr. MAY. I decline to answer at this time, under oath, because the testimony I give might be used to incriminate me, both Federal and State.

Mr. MOSER. You decline to answer the question I have asked?

Mr. MAY. Yes.

Mr. MOSER. And you understand that you are directed to answer.

Mr. MAY. Yes, sir.

The CHAIRMAN. You are directed specifically to answer that.

Mr. MAY. I understand.

Mr. McFARLAND. May I confer with the witness?

The CHAIRMAN. Yes; certainly.

(Mr. McFarland conferred with Mr. May.)

The CHAIRMAN. Now, Mr. May, do you desire to make any further statement?

Mr. MAY. My attorney, Mr. Vernon Thompson, was present and answered the questions that Mr. Robinson asked.

The CHAIRMAN. That is not an answer to the question.

Mr. MAY. I decline to answer under oath.

Mr. MOSER. You still decline to answer?

Mr. MAY. Yes; because the testimony might be used to incriminate me.

Mr. MOSER. You decline to answer the specific question I asked you?

Mr. MAY. That is right.

Mr. ROBINSON. May I make this statement for the record? Mr. May was present, and Mr. May made the statements to me, not Mr. Vernon Thompson.

The CHAIRMAN. Do you desire to make any comment on that?

Mr. MAY. No, sir.

The CHAIRMAN. Do you deny you made the statements?

Mr. MAY. I decline——

The CHAIRMAN. Let me finish first.

Mr. MAY. I am sorry.

The CHAIRMAN. Do you deny that you made the statements in the presence of Mr. Robinson as he has just stated?

Mr. MAY. I decline to answer his question under oath at this time, because any testimony that I give might be used against me.

The CHAIRMAN. I see. All right.

Senator TOBEY. Mr. Counsel, I should think that you would have mingled emotions right about this time.

Mr. McFARLAND. Well, with respect to the question which has just been put, I again want to reemphasize all of the objections which are contained in there, and which were contained in the specific objections that I made to the first questions, that with respect to this question the answer to this question would not furnish evidence or information as to the utilization of any facility of interstate commerce, or of any transaction in interstate commerce in furtherance of any violation of the laws of the United States, or of any State, and that any answer the witness might give would not aid the committee in the discharge of legislative function.

Senator TOBEY. That is for the committee to determine.

The CHAIRMAN. That is your position, and it is duly noted.

Mr. McFARLAND. Yes.

Mr. ROBINSON. I have a few more questions.

The CHAIRMAN. Mr. Robinson.

Mr. ROBINSON. Mr. May, have you ever heard of a Mr. Ed Vogel?

Mr. MAY. Will you please repeat that question? I am sorry, I cannot hear so well.

The CHAIRMAN. Have you ever heard of Mr. Ed Vogel?

Mr. ROBINSON. Have you heard of Mr. Ed Vogel?

Mr. MAY. I decline to answer that question.

Mr. ROBINSON. As to whether you have ever heard of him?

Mr. MAY. I decline to answer the question on the ground that if I give testimony it might incriminate me, Mr. Robinson.

Mr. ROBINSON. Well, Mr. May, are you declining to answer the question on the ground that it might tend to incriminate you?

Mr. MAY. Exactly.

Mr. ROBINSON. On the question as to whether you ever heard of a man by the name of Ed Vogel?

Mr. MAY. Exactly.

Mr. McFARLAND. And the further objection that it is irrelevant.

Mr. ROBINSON. Have you ever read anything in the newspapers about Mr. Ed Vogel?

Mr. MAY. Well, he has been in the paper a lot.

Mr. ROBINSON. What has been in the paper a lot?

Mr. MAY. Mr. Ed Vogel's name. I think everybody has read it. I have read it.

Mr. ROBINSON. What have you read about it?

Mr. MAY. That he was supposed to be the slot-machine king of Cook County.

Mr. ROBINSON. You have heard about Mr. Ed Vogel?

Mr. MAY. I have read it.

Mr. ROBINSON. If you have read it, you have heard about it.

Mr. MAY. That was the question you asked, if I read it in the papers?

Mr. ROBINSON. Yes.

Mr. MAY. I have.

Mr. ROBINSON. And how long have you had that knowledge from the newspapers?

Mr. MAY. Well, I saw it this week in the papers.

Mr. ROBINSON. Had you heard of it before that time?

Mr. MAY. I think——

Mr. McFARLAND. Do you mean had he read of it before that time?

Mr. MAY. Sure.

Mr. ROBINSON. Had you read it before that time?

Mr. MAY. Sure.

Mr. ROBINSON. When did you first read about it?

Mr. MAY. I don't remember when it was. It was some time ago.

Mr. ROBINSON. Was it a number of years ago?

Mr. MAY. The first time I remember was about 6 months ago. I am not familiar with the dates. I don't remember those things.

Mr. ROBINSON. That was the first time you ever heard of it?

Mr. MAY. I am not saying that; that is the first time I remember.

Mr. ROBINSON. The first time you remember reading about Ed Vogel?

Mr. MAY. That is right. It might have been before that, I cannot give you the date.

Mr. ROBINSON. That was 6 months ago.

Mr. MAY. I remember distinctly I read it then.

Mr. ROBINSON. But you have no recollection of hearing anything about a man by the name of Ed Vogel prior to that time?

Mr. MAY. I cannot give you exact dates. That is the only date I can give you.

Mr. ROBINSON. You don't understand my question, apparently. Prior to that time had you ever heard or read anything about a man by the name of Ed Vogel?



Mr. MAY. I don't remember any specific dates.

Mr. ROBINSON. It could have been that you had heard of him prior to that time?

Mr. MAY. It could have been, but I don't remember.

Mr. ROBINSON. And have you seen his name frequently in the papers?

Mr. MAY. The last few months, quite frequently.

Mr. ROBINSON. Have you ever heard or read of Mr. Vogel's name in connection with the Capone syndicate?

Mr. MAY. Those were the things that were in the paper.

Mr. ROBINSON. And didn't you, in fact, have that knowledge for a period of years?

Mr. MAY. I decline to answer that question on the ground that any testimony I give might incriminate me.

Mr. ROBINSON. I think that is all I have, Mr. Chairman.

Senator TOBEY. Are you fearful of the Capone syndicate, or the remnants of it?

Mr. MAY. No, sir.

Senator TOBEY. No fear of them at all?

Mr. MAY. No.

The CHAIRMAN. Mr. Moser—first, Senator Hunt, do you have any questions?

Senator HUNT. No; I have no questions, Mr. Chairman.

The CHAIRMAN. Mr. Moser.

Mr. MOSER. Is there any financial relationship between the George S. May Co., the partnership, and either the Tam O'Shanter Country Club or Tam O'Shanter, Inc.?

Mr. MAY. They are separate companies, separate managers, and no financial connection.

Mr. MOSER. Is there any connection between George S. May, Inc., the holding company, and either Tam O'Shanter Country Club or Tam O'Shanter, Inc.?

Mr. MAY. There are not.

Mr. MOSER. Has George S. May Co., the partnership, or George S. May, Inc., ever received any funds from the Tam O'Shanter Country Club or Tam O'Shanter, Inc.?

Mr. MAY. I decline to answer that question on the ground it might lead to other questions to which if I gave testimony might incriminate me.

Mr. MOSER. Has the Tam O'Shanter Country Club, or has Tam O'Shanter, Inc., ever received any money from George S. May Co., the partnership, or from George S. May, Inc.?

Mr. MAY. I must decline to answer that on the ground that the testimony might incriminate me.

Mr. MOSER. No more questions.

The CHAIRMAN. I have just a question—

Senator HUNT. I would like to ask one question, if I may.

The CHAIRMAN. Yes, Senator Hunt.

Senator HUNT. Is this gentleman the George S. May who advertises in National Business Service about analyzing and advising on business reorganization?

Mr. MAY. Yes, sir.

Mr. McFARLAND. The chairman went into that quite fully before you came in this morning.

The CHAIRMAN. Previously in your statement, Mr. May, you advised us that this winter you were engaged in traveling for the company at the very time that the committee was seeking to serve you.

Mr. MAY. And I would like to make a statement to clear that up, because I am a busy man.

The CHAIRMAN. Suppose you do.

Mr. MAY. I will tell you what happened, the Chicago Tribune, on the night of Monday, the 15th, had a headline——

The CHAIRMAN. Of what?

Mr. McFARLAND. January, you mean?

Mr. MAY. Yes, January 15; that George S. May was called to Cleveland to testify, and I waited in my office and in my home Tuesday, Wednesday, Thursday, Friday, and no subpoena came.

I made a speech in the Bismark Hotel, Saturday morning, January 20, I took the 1 o'clock plane to Los Angeles, where I had to meet men on the west coast, and I came back to Chicago on the 28th of January, and I left on February 1, and was gone on another business trip. No subpoena was ever attempted to be served on me, and it was very embarrassing to have it all over the country, when I was right at home and in the office——

The CHAIRMAN. I presume you got in touch with the authorities and notified them that you were available?

Mr. MAY. I did not.

The CHAIRMAN. Why?

Mr. MAY. Why should I? Why should I wait at State and Madison waiting for a subpoena? I was on the west coast, and I was on the radio in Los Angeles, and they knew where I was.

The CHAIRMAN. Here you noted it in the press, and you knew that process servers were anxious to locate you, did you not?

Mr. MAY. It said that a subpoena had been issued, and I waited for them to serve me.

The CHAIRMAN. Did you make any effort to notify the authorities where you were?

Mr. MAY. No; because there is no law saying that I should.

The CHAIRMAN. I am asking you whether you did.

Mr. MAY. No.

The CHAIRMAN. So from January until you were served last week, you made no effort to advise the authorities? Will you answer the question as to whether you did?

Mr. MAY. Yes; I did. I would not be here today if it was not for a telephone call that I made last Monday night. I was 53 days in Chicago, and nobody called on me.

The CHAIRMAN. Up until last Monday night, did you make any effort whatsoever to advise the authorities where you were and where you could be served?

Mr. MAY. No; I did not.

The CHAIRMAN. Why?

Mr. McFARLAND. Well——

The CHAIRMAN. No; let him answer, Counsel.

Mr. MAY. I was on a business trip, I am a busy man, and I travel all the time. I was in and out of Chicago, and nobody called me at home or at the office while I was in town.

The CHAIRMAN. While you were there. But you don't know what they were attempting to do while you were not there.

Mr. MAY. I was there 53 days and nobody called. I telephoned the Daily News last Monday night and they said, "When did you get back?" I said, "I have been in town 53 days." I told them that I was between my place of business and home. They said, "Where will you be tomorrow?" I said, "At the Tam O'Shanter Country Club."

And last Tuesday noon the United States marshal came out and served me.

The CHAIRMAN. Is it not a fact you actually were using virtually a fleet of automobiles, different automobiles, in order to avoid and evade the process servers? Is that not a fact?

Mr. MAY. No; it is not. I have a Cadillac all the time, and I had it on my trip, the same car—I have a half-dozen cars that I could—

The CHAIRMAN. But for weeks or months you were studiously and carefully avoiding the process servers, is that not a fact?

Mr. MAY. No, sir. I was on a business trip, and I took a 2 weeks' vacation, the first I had in 2 years.

Senator TOBEY. A little while ago he said he wasn't in the Tam O'Shanter Club, and now he tells us he was there.

Mr. McFARLAND. I thought that the hearing had closed.

Senator TOBEY. No; the hearing had not closed.

Mr. MAY. I told the newspapers where I would be last Tuesday, and the United States marshal phoned me and I said, "Come on out." And he came out and brought all the newspapermen with him.

Senator TOBEY. What is your net worth?

Mr. MAY. I don't know.

Senator TOBEY. You don't know? To make a shot at it, what would you say?

Mr. MAY. I will tell you what I made last year; that is all I know.

Senator TOBEY. What is George S. May's personal net worth?

Mr. MAY. I don't know.

Mr. McFARLAND. That is one thing that I certainly don't think you have any right to ask any man, or any person, any more than I would have a right to say to you, "Senator Tobey, what is your net worth?"

Senator TOBEY. Well, it wouldn't do much good to ask me that.

Mr. McFARLAND. It is not a question of what the answer would be; it is a question of whether I have the right.

Senator TOBEY. We think we have. You won't answer that question?

The CHAIRMAN. He said he does not know, or do you decline to answer?

Mr. MAY. Well, I guess on advice of counsel—well, against advice of counsel, last year my partnership made \$538,000.

Senator TOBEY. What did you make?

Mr. MAY. Well, about half of that.

Senator TOBEY. That is the total income, net, for the year? That is what you paid taxes on?

Mr. MAY. That is right.

Senator TOBEY. Did you make any political contributions last year, the year before, or the year before that?

Mr. MOSER. Directly or indirectly?

Mr. MAY. Well, I am a Democrat and you are a Republican. Now I am going to get into it.

Senator TOBEY. Did you make any political contributions?

Mr. McFARLAND. You may state to the best of your recollection.

Senator TOBEY. Did you make any political contribution to the Democratic Party candidates?

Mr. MAY. I am going to decline to answer that. It is irrelevant.

Senator TOBEY. Well, you being so good about making successes out of failures in large corporations, have you ever been called into consultation with the Democratic National Party to find out what is wrong with them?

Have you ever paid any money for protection from police authorities?

Mr. MAY. Never.

Senator TOBEY. Have you ever been convicted of a crime?

Mr. MAY. Yes, sir.

Senator TOBEY. What was it?

Mr. MAY. Forgery, and I plead guilty 35 years ago.

Senator TOBEY. What was the crime, forgery?

Mr. MAY. Forgery.

Senator TOBEY. Were you convicted?

Mr. MAY. I plead guilty.

Senator TOBEY. Were you sentenced?

Mr. MAY. Eleven months.

Senator TOBEY. Did you serve?

Mr. MAY. Yes, and I came out of that, and I have gone straight ever since.

Senator TOBEY. Well, that is to your credit everlastingly. Have you been arrested since?

Mr. MAY. Oh, for speeding once.

Senator TOBEY. That is all?

Mr. MAY. Well, a couple of times.

Senator TOBEY. Any other crimes besides that? Any felonies or misdemeanors?

Mr. MAY. Not for felonies or misdemeanors.

Senator TOBEY. Have you ever been investigated by the Internal Revenue Bureau?

Mr. MAY. Every year, and there is nothing wrong.

Mr. McFARLAND. You mean they come over and go over your books.

Mr. MAY. Certainly.

Mr. MOSER. You stated what your income was from George S. May Co. What is your income from Tom O'Shanter Country Club or Tom O'Shanter, Inc.?

Mr. MAY. I decline to answer that question on the ground if I give testimony it might be used against me.

Mr. MOSER. Is your income from those sources reported in your income-tax returns?

Mr. MAY. There is a line which says, "Report all moneys received," and I certainly am not guilty of holding out any money from anybody, not a cent. In fact, I am getting refunds.

Mr. MOSER. Then you do report the income you receive from those sources?

Mr. MAY. I do.

Mr. MOSER. Then you do receive income from those sources?

Mr. MAY. I said I reported income received from all sources.

Senator TOBEY. Did you specify the details, as to where it came from?

Mr. MAY. Why, certainly, you have to. I know I have to.

Senator TOBEY. Well, we have so many who don't.

Mr. MAY. Well, I am a businessman, and I have to.

Senator TOBEY. So do I. But a lot of them don't, you know.

Mr. MAY. Yes.

Mr. MOSER. Do you specify the income you receive from the country-club sources?

Mr. MAY. I decline to answer that, because any testimony I give might incriminate me. I have been honest with you on all these other deals.

Senator TOBEY. What is your best judgment as to the amount of your net worth?

Mr. McFARLAND. Again let me interpose an objection to that specific question, purely upon the grounds, Senator, that I believe that that is one question above all others which rankles me as being something that no one has a right to ask any other man about his net worth.

The CHAIRMAN. You need not give the reasons.

Are there any further questions?

First of all, you refuse or decline to answer that question?

Mr. McFARLAND. You mean the last one on net worth?

The CHAIRMAN. Yes.

Mr. MAY. Well, I don't know. I really don't know. I never checked up. What do I care?

Senator TOBEY. It must be a wonderful situation to be in.

The CHAIRMAN. Senator Hunt asked the question before, and you did state in some detail as to the extent of your operations, particularly as to the number of individuals that are associated with George S. May Co.

Mr. MAY. Around four hundred.

The CHAIRMAN. What would be the total volume of business, approximately?

Mr. MAY. I think I gave that, \$4,000,000.

Mr. McFARLAND. \$4,250,000.

Mr. MAY. This year it will be 5 or 6 million.

Senator TOBEY. Any request that you might make to the Tam O'Shanter Country Club would be acceded to, any reasonable request from you?

Mr. MAY. I have to decline to answer—

Senator TOBEY. Out of courtesy?

Mr. MAY. Senator Tobey—

Senator TOBEY. Will you give this committee a letter, addressed to the officials and the board of directors and the clerk and the manager of the Tam O'Shanter Country Club:

Please give the bearer all information and records they require in the course of their investigation into the Tam O'Shanter Country Club, and hold nothing back, and give them any data and material that you have on hand that they want to furnish it to them.

Mr. MAY. I don't understand that.

Senator TOBEY. Well, would you write a letter, I will dictate it, and you sign it, to the management, the board of directors, the clerk and the manager of Tam O'Shanter Country Club, as follows:

Upon receipt of this letter by bearer, will you kindly give him all the information he requires from the books and records of the country club and any data which you have submit to him.

Mr. MAY. I will have to decline to answer——

Senator TOBEY. I asked you if you would sign that letter.

Mr. MAY. I decline to answer the question.

Senator TOBEY. As to whether you would sign the letter or not?

Mr. MAY. I decline to answer.

Senator TOBEY. Why?

Mr. MAY. I don't know.

Senator TOBEY. I don't think you do, either.

Mr. MAY. I don't.

Mr. McFARLAND. Why put this man in the position of having to do that? After all, you have the power of subpoena.

The CHAIRMAN. Well, we will not argue that, but don't you realize that it might facilitate it very much if you were to give us cooperation? There are two different things: (1) to attempt to force them to give us information by compulsory process, and (2) the voluntary and willing cooperation of a man who says he has nothing to hide, and who, if he signed a simple piece of paper, might give to the committee detailed information which directly bears on the reason for our existence.

Mr. MAY. I will give it to you January 5.

The CHAIRMAN. 1952?

Mr. MAY. Yes, sir; you bet your life.

Senator TOBEY. You may not be around here then.

Mr. MAY. I may not be, either.

Senator TOBEY. That is what I said.

Mr. ROBINSON. I have a few questions.

The CHAIRMAN. Mr. Robinson.

Mr. ROBINSON. Do you know a man by the name of R. Benson?

Mr. MAY. Benson?

Mr. ROBINSON. Yes.

Mr. MAY. No.

Mr. ROBINSON. Is your answer "No"?

Mr. MAY. I don't know anybody by the name of—R. Benson?

Mr. ROBINSON. R. Benson.

Mr. MAY. What is his first name?

Mr. ROBINSON. I don't know his first name.

Mr. MAY. I don't know anybody by that name.

Mr. ROBINSON. Do you know a man by the name of Grew?

Mr. MAY. Grew?

Mr. ROBINSON. Yes, G-r-e-w.

Mr. MAY. No.

Mr. ROBINSON. I believe you stated that you had been in the Tam O'Shanter Country Club?

Mr. MAY. I did not state that.

Senator TOBEY. Yes, you did; not more than 5 minutes ago.

The CHAIRMAN. You did. You mentioned about telephone calls; that you telephoned to your family, and all.

Mr. MAY. Oh!

Mr. ROBINSON. When you were in the Tam O'Shanter Country Club, did you observe the type of cigarette-vending machines that were in operation in the club?

Mr. MAY. Will the committee let me make a statement?

The CHAIRMAN. Go ahead; we have been waiting for it all morning.

Mr. MAY. Will you let me make a statement, sincerely?

The CHAIRMAN. Go ahead.

Mr. MAY. And it will not be held against me?

The CHAIRMAN. Well, now——

Mr. MAY. Oh, I am not asking for immunity. I will take that back. I wish I could sit here and answer that question.

The CHAIRMAN. Is that your statement?

Mr. MAY. Yes, sir. I wish that I could sit here and answer it, because I could give you some help to get legislation to help the businessman.

Senator TOBEY. You are a free agent, aren't you?

Mr. MAY. January 5, I will give it to you. I wish I could answer that question.

Mr. MOSER. I was asking about cigarette-vending machines.

Mr. MAY. I know it. I wish that I could answer that question.

Mr. ROBINSON. I asked the question, and do I understand that you are unwilling to answer the question on the ground that it would tend to incriminate you?

Mr. McFARLAND. Wait just a minute. Let's go back to the question. What was the question?

Mr. ROBINSON. I think I can restate it.

The CHAIRMAN. Suppose you restate the question; it will be simpler.

Mr. ROBINSON. While you were in the Tam O'Shanter Country Club, did you observe the type of cigarette-vending machines that were in operation at the club?

Mr. MAY. I must decline to answer that question, because the next question would be what type they were, and any testimony I give might incriminate me. I wish I could answer that question; I repeat that.

The CHAIRMAN. All right.

Mr. ROBINSON. Do you know Dan Gilbert?

Mr. MAY. Yes; he and States' Attorney Courtney and I got drunk one time in New York at Leon & Eddie's.

Mr. ROBINSON. How long have you known him?

Mr. MAY. Oh, I don't know—20 years.

Mr. ROBINSON. Is he a close personal friend of yours?

Mr. MAY. No.

Mr. ROBINSON. Did you contribute to his campaign?

Mr. MAY. I certainly did not.

Mr. McFARLAND. You mean the last campaign?

Mr. MAY. I certainly did not.

Mr. ROBINSON. The last campaign.

Mr. MAY. I certainly did not.

Mr. ROBINSON. Have you ever heard of the Apex Cigarette-Vending Machine Co.?

Mr. MAY. I decline to answer that question on the ground that that testimony would certainly incriminate me.

Mr. ROBINSON. As to whether you had ever heard of that company?

Mr. MAY. I read in the paper where State's Attorney Boyle was attorney for them at one time.

Mr. ROBINSON. Have you ever read anything else about the company?

Mr. MAY. That is the only thing I can remember.

Mr. ROBINSON. Have you ever heard the name of Vogel linked with the Apex Cigarette Vending Machine Co.?

Mr. MAY. I must decline to answer that question, too, because the testimony might tend to incriminate me.

Mr. ROBINSON. As to whether you had ever heard of the two names?

Mr. McFARLAND. Or read about them.

Mr. ROBINSON. Or read about them.

Mr. MAY. All I know is what I read, that State's Attorney Boyle was their attorney, and you brought that out in your investigation yourself.

Mr. ROBINSON. You still have not answered my question.

Mr. MAY. I have heard it.

Mr. ROBINSON. You have heard the two names?

Mr. MAY. And that Boyle, the State's Attorney, was their attorney.

Mr. ROBINSON. Do you know what position Mr. Vogel has with that company?

Mr. MAY. I have no idea.

Mr. ROBINSON. You have heard that he is an owner of that company, have you not?

Mr. MAY. The paper said so, that is all I heard, through the paper.

I wish I could answer this. The business interests of this country need some legislation.

The CHAIRMAN. Well, suppose you give us the benefit of your advice.

Mr. MAY. If you fellows knew how business is being held up—I am taking a chance at answering this, and you cannot stop me.

Mr. McFARLAND. I cannot stop you at any time you want to talk.

Mr. MAY. It is me. But this committee can do a terrific service to this country if they will invoke legislation against unions, particularly—I don't want to be quoted on that—but people from the outside muscle in and run a business. I know what I am talking about.

The CHAIRMAN. Tell us what you know about it.

Mr. MAY. I wish I could.

The CHAIRMAN. You said you were prepared to.

Mr. MAY. There are a lot of businesses in this country that cannot run, because they come like this [indicating], "You do this or that." I cannot be quoted, because my life is worth more than going to jail. If I name names in 48 hours—well, I told you that in the investigation in Chicago.

Mr. ROBINSON. Yes, you did, but I asked you a question earlier in the proceedings as to whether or not your sole grounds for refusing to answer questions were on the basis that it would tend to incriminate you or because you had some fear of physical harm.

Mr. MAY. Let me answer this.

Mr. McFARLAND. All right.

Mr. MAY. I am paying you, so let me answer.

Mr. ROBINSON. Give me a frank answer to the question.

Mr. MAY. My answer is because I was afraid it would incriminate me. I am not afraid of the other outside interests.



The CHAIRMAN. Has your life been threatened?

Mr. McFARLAND. I don't think it has.

The CHAIRMAN. Well, just a minute. Mr. May is hesitating very much.

Mr. MAY. I cannot answer that question.

The CHAIRMAN. Mr. May, you stated a few minutes ago that you were in a position to give this committee help.

Mr. MAY. I decline to answer that particular question on the ground it might lead to other questions which would tend to incriminate me.

The CHAIRMAN. I am now asking you only one question, and you have no right to assume that I will ask you any more. On my one question, has your life been threatened?

Mr. MAY. I will say "No."

The CHAIRMAN. Why did you hesitate so long?

Mr. MAY. Because it has not actually been threatened.

The CHAIRMAN. Why do you say actually?

Mr. MAY. There is a line to draw.

The CHAIRMAN. Well, how near was it to being threatened?

Mr. MAY. Oh, not too serious.

The CHAIRMAN. Well, just to what extent was it threatened?

Mr. MAY. It was not threatened. There is a line to draw there, you understand.

Mr. ROBINSON. Let me ask you this: Did you entertain some thought that it might be threatened?

Mr. MAY. Why, certainly.

The CHAIRMAN. On the basis of what?

Mr. MAY. I don't know.

Mr. ROBINSON. Now, Mr. May, you brought up the subject, and I think you stated accurately that you did mention it to me.

Mr. MAY. Yes; you know what—

Mr. ROBINSON. Let me finish the question, please.

The CHAIRMAN. Yes; just take your time and let him finish his question.

Mr. ROBINSON. You did mention to me that if you gave the information to me that you would not last 48 hours.

Mr. MAY. And you said, "You bet you wouldn't."

The CHAIRMAN. Did you make that statement? First, did you say that?

Mr. MAY. Yes.

The CHAIRMAN. All right. Go ahead.

Mr. MAY. You bet your life I made it, and I volunteered certain information to him. I will take that chance.

The CHAIRMAN. All right. Who did you fear?

Mr. MAY. I can't tell you who, because I don't know.

Mr. ROBINSON. Isn't it true that you entertained a fear from Mr. Vogel and the organization to which you know he belonged?

Mr. MAY. No, I did not; no, sir, I did not.

Mr. ROBINSON. Well, you did entertain some fear or possible fear?

Mr. MAY. Can I answer that question?

Mr. ROBINSON. Now, who was the cause of that fear?

Mr. MAY. It was just a general fear that I had. It was right after Drury had been assassinated, and naturally certain fears come up. Honestly, I couldn't tell you.

Mr. MOSER. When you put these cigarette-vending machines in first, were they there when you took the club over?

Mr. McFARLAND. I was going to say that that is quite a leading question.

Mr. MOSER. Were they there?

Mr. MAY. I wish I could answer that. I must decline to on the ground that any testimony I give would be used against me.

Mr. MOSER. Were any threats of any kind made to you in connection with the putting in or maintaining of the cigarette-vending machines?

Mr. MAY. I wish I could answer that. I cannot, on the grounds it might be used against me. If it was January 5, I would give you enough ammunition to keep Congress busy for 6 months on legislation to protect honest businessmen.

The CHAIRMAN. All right. That will conclude the examination now.

Mr. McFARLAND. I want to say one thing, you asked Mr. May why it was that he did not, shall we say, voluntarily go down and seek out the process servers.

Perhaps one of the reasons why he did not——

Mr. MAY. May I interrupt——

Mr. McFARLAND (continuing). Was because I told him that in my opinion there was no legal obligation on his part to do so, and that I could see no real moral obligation on his part to do so, in view of the things that occurred, the publicity up to along in January.

Mr. MAY. Can I interject a statement?

The CHAIRMAN. Go ahead.

Mr. MAY. I was going to appear voluntarily at the New York meeting of the committee, and I had reservations in the Commodore Hotel, and I had a convention in the New York office, and I became ill with virus X in Florida, and I had my personal doctor fly from Chicago down. I was in bed at the time of the committee meeting, or I would have been there voluntarily, and you remember that.

Mr. McFARLAND. That is right.

The CHAIRMAN. Well, a 3-cent stamp would have notified us to that effect.

May I say that this committee has been searching all over the United States for you without success, and if you had been hiding out you couldn't have more effectively avoided and evaded the process servers.

So long as you attempted to explain, I thought I would state that.

Mr. MAY. Well, I am here today by a move that I made.

The CHAIRMAN. Well, we will not argue.

Mr. McFARLAND. May I ask this, can a copy of the hearing here this morning be made available to us, if we pay for it?

The CHAIRMAN. Yes; it may, under the condition that it not be made public.

Mr. McFARLAND. Well, I certainly don't want it made public.

Mr. MAY. Neither do I.

The CHAIRMAN. All right; that is all. Very well, let us get our next witness in.

Mr. Fischetti, do you object to having your pictures taken?

Mr. FISCHETTI. Yes, I object to it.

The CHAIRMAN. Very well. We are now going into executive session.

You are Rocco Fischetti?

Mr. FISCHETTI. That is right, sir.

The CHAIRMAN. We are in executive session, and the only persons present are members of the Senate committee or the staff counsel, and the official reporter.

Now, will you kindly stand and be sworn.

In the presence of the Almighty God, do you swear the testimony you are about to give shall be the truth, the whole truth, and nothing but the truth?

Mr. FISCHETTI. I do.

The CHAIRMAN. May I say to the witness that the Senate committee is meeting pursuant to the direction of the full committee, and a quorum is present, and there are certain questions that we would like to ask of you through counsel, Mr. Robinson.

Mr. FISCHETTI. Yes.

### TESTIMONY OF ROCCO FISCHETTI, CHICAGO, ILL.

The CHAIRMAN. May I ask if you are represented by counsel?

Mr. FISCHETTI. No, sir.

The CHAIRMAN. Then I will inform you that any matter you may wish to be advised about or to explain or make any statement about, you are at liberty to do so.

Mr. FISCHETTI. I would like to make a statement.

The CHAIRMAN. Well, wait until a question is asked of you.

Proceed, Mr. Robinson.

Mr. ROBINSON. Will you state your full name?

Mr. FISCHETTI. Rocco Fischetti.

Mr. ROBINSON. Where do you live?

Mr. FISCHETTI. 3100 Sheridan Road, Chicago, Ill.

Mr. ROBINSON. Is that Sheridan Road or North Sheridan Road?

Mr. FISCHETTI. Well, North Sheridan Road.

Mr. ROBINSON. How old are you, Mr. Fischetti?

Mr. FISCHETTI. Forty-seven.

Mr. ROBINSON. Now, do you have any other place of residence besides 3100 North Sheridan Road?

Mr. FISCHETTI. I refuse to answer that. [Taking paper from pocket.]

Mr. ROBINSON. Did you have a brother by the name of Charles?

Mr. FISCHETTI. I refuse to answer that question. I claim my privilege under the Constitution. I don't wish to be a witness against myself.

Senator TOBEY. Just a minute. Ask him who prepared that statement he just made.

The CHAIRMAN. You have just read from a written memorandum?

Mr. FISCHETTI. Yes, sir.

The CHAIRMAN. That you brought with you?

Mr. FISCHETTI. That is right.

The CHAIRMAN. Will you tell us who prepared the statement?

Mr. FISCHETTI. I refuse to answer that.

The CHAIRMAN. Did you yourself write it?

Mr. FISCHETTI. I refuse to answer that.

The CHAIRMAN. Have you sought advice of counsel in connection with your appearance here, Mr. Fischetti?

Mr. FISCHETTI. Can I make this statement, please?

The CHAIRMAN. Yes.

Mr. ROBINSON. Go ahead.

Mr. FISCHETTI. I am going to refuse to answer your questions on the ground that I claim my privilege under the Constitution. I do not wish to be a witness against myself. Some of your questions may look innocent alone, but I cannot answer any. The courts have held that if I answer any questions I waive my rights. I do not wish to waive anything. You people have already found in your reports that I am guilty of many Federal crimes. I wish you would send those reports to the grand jury if you vote to hold me for contempt.

Senator TOBEY. Have you ever read the Constitution of the United States?

Mr. FISCHETTI. I refuse to answer.

Senator TOBEY. Who prepared that statement for you?

Mr. FISCHETTI. I refuse to answer.

Senator TOBEY. Do you know Frank Costello?

Mr. FISCHETTI. I refuse to answer that.

Senator TOBEY. Well, I don't think we will get any place here.

Mr. MOSER. Are you married?

Mr. FISCHETTI. I refuse to answer that.

Mr. MOSER. Have you any children?

Mr. FISCHETTI. I refuse to answer.

Mr. MOSER. How did you get to this meeting? Did you come by train?

Mr. FISCHETTI. I refuse to answer that.

Mr. MOSER. Did you come by airplane?

Mr. FISCHETTI. I refuse to answer that. I am standing on the statement.

The CHAIRMAN. Now, I was waiting until a certain number of questions were asked to say this to you, that in connection with the questions that have been asked of you, the committee feels that they are proper questions, and the committee directs you to answer.

Now, do you still decline to answer?

Mr. FISCHETTI. I still refuse.

Mr. MOSER. Are you in business?

Mr. FISCHETTI. I refuse to answer that.

Mr. MOSER. Do you have any income?

Mr. FISCHETTI. I refuse to answer that.

Mr. MOSER. Do you file income-tax returns?

Mr. FISCHETTI. I refuse to answer that.

Senator TOBEY. Are you going to refuse to answer any and every question asked by the committee?

Mr. FISCHETTI. I refuse to answer that.

Senator TOBEY. Well, let's not let this man make fools of the committee. He says he won't even answer as to whether he will refuse to answer. Time is flying, and I move that the gentleman be cited for contempt, and let us close this thing out. It is sickening and disgusting.

The CHAIRMAN. You do understand that you are directed to answer the questions just asked of you by the committee counsel?

Mr. FISCHETTI. Yes, sir.

The CHAIRMAN. You do understand that?

Mr. FISCHETTI. Yes, sir.

The CHAIRMAN. And having been advised of that you still refuse to answer?

Mr. FISCHETTI. I will stand on this statement.

The CHAIRMAN. Is the committee to understand that you are going to refuse to answer any and every question that is asked of you?

Mr. FISCHETTI. Well, I am standing on my constitutional rights under the fifth amendment.

Mr. MOSER. In other words, you are going to refuse to answer—or you do refuse to answer any question that we have asked you or will ask you, except your name and address, is that true?

Mr. FISCHETTI. That is right.

Mr. ROBINSON. May I ask one question?

The CHAIRMAN. Mr. Robinson.

Mr. ROBINSON. Mr. Fischetti, you have filed income-tax returns, have you not?

Mr. FISCHETTI. I refuse to answer that.

Mr. ROBINSON. You refuse to answer whether you have ever filed income-tax returns?

Mr. FISCHETTI. Yes, sir.

Mr. ROBINSON. You filed one in 1947, didn't you?

Mr. FISCHETTI. I refuse to answer.

Mr. ROBINSON. And didn't you at that time, when you filed the tax return, state what your occupation was?

Mr. FISCHETTI. I refuse to answer.

Mr. ROBINSON. Would you say that any information that you gave on your tax return was inaccurate?

Mr. FISCHETTI. I refuse to answer that. I stand on this statement.

Senator TOBEY. Question, Mr. Chairman.

The CHAIRMAN. Yes, Senator Tobey. We will take that up with the entire committee on that subject.

All right, that will end the examination at this time.

Mr. FISCHETTI. May I make a statement for the record?

The CHAIRMAN. You mean for the record here?

Mr. FISCHETTI. Yes. I would like the record to show that I refuse to answer each question, that I claim my privilege under the Constitution.

The CHAIRMAN. Would you mind leaving that memorandum with us?

Mr. FISCHETTI. Yes, sir.

The CHAIRMAN. All right. That will end it.

Mr. FISCHETTI. Thank you.

The CHAIRMAN. I might say this before you leave that the bond that you gave previously still continues. In other words, the committee still wishes you to be under subpena, and you did put a bond up, I think, of \$3,000?

Mr. FISCHETTI. Yes.

The CHAIRMAN. That same bond will be continued for the present.

Mr. FISCHETTI. Thank you very much.

The CHAIRMAN. Our next witness will be Mr. Humphreys.

Mr. Humphreys, do you object to having your pictures taken?

Mr. HUMPHREYS. Yes; I do.

The CHAIRMAN. Then I must ask the photographers not to take any pictures. We are going into executive session.

Mr. Humphreys.

Mr. HUMPHREYS. Pardon me, I have to get my glasses on, I can hardly see you.

The CHAIRMAN. Take your time. I just wanted to inform you that all those present—first, I want to let you know that all of the press are out of the room, and there are no reporters or photographers here, and that the people who are present are Members of the Senate, or members of our staff and counsel, and the official reporter.

May I ask first that you stand and be sworn.

Mr. HUMPHREYS. Yes, sir.

The CHAIRMAN. In the presence of the Almighty God, do you swear that the testimony which you are about to give will be the truth, the whole truth, and nothing but the truth?

Mr. HUMPHREYS. I do, sir.

### TESTIMONY OF MURRAY L. HUMPHREYS, CHICAGO, ILL.

The CHAIRMAN. Will you state your name?

Mr. HUMPHREYS. My name is Murray L. Humphreys. I live at 7710 Bennett Avenue, Chicago, Ill.

The CHAIRMAN. And for how long have you lived there?

Mr. HUMPHREYS. Well, you mean in Chicago, or at that address there?

The CHAIRMAN. In Chicago.

Mr. HUMPHREYS. I have lived in Chicago all my life.

The CHAIRMAN. All your life?

Mr. HUMPHREYS. Yes.

The CHAIRMAN. I see. All right. Now, the questions will be propounded to you by Mr. Robinson, the counsel.

Mr. ROBINSON. How long have you lived at that address, Mr. Humphreys?

Mr. HUMPHREYS. Well, I have lived there about since 1936.

Gentlemen, may I make a statement at this time?

The CHAIRMAN. Well, if you will just answer some questions first, then you will be given an opportunity to say anything you want to.

Mr. ROBINSON. Is it an apartment house?

Mr. HUMPHREYS. It is a house.

Mr. ROBINSON. It is a regular residence, it is not an apartment.

Mr. HUMPHREYS. That is right.

Mr. ROBINSON. And do you have a name on the door?

Mr. HUMPHREYS. No, I do not think there is a name on the door.

Mr. ROBINSON. Is the house listed in your name?

Mr. HUMPHREYS. No, sir.

Mr. ROBINSON. You are not the owner of it?

Mr. HUMPHREYS. No, sir.

Mr. ROBINSON. Do you rent it?

Mr. HUMPHREYS. No, sir. My wife owns it.

Mr. ROBINSON. Your wife owns it?

Mr. HUMPHREYS. Yes, sir.

Mr. ROBINSON. Do you have any name on the house at all to indicate who the occupant of the house is?

Mr. HUMPHREYS. No, sir; not at all.

Mr. ROBINSON. Do you receive mail there under the name of Humphreys?

Mr. HUMPHREYS. Yes, sir; I do.

Mr. ROBINSON. Do you receive mail there under any other name?

Mr. HUMPHREYS. I am going to decline to answer that, and I would like to get my statement in here, if I may.

The CHAIRMAN. You decline to answer that question, as to whether you receive mail there, is that it?

Mr. HUMPHREYS. Yes, sir.

The CHAIRMAN. Ask another question, and then it may be that you may wish to make a statement.

Mr. ROBINSON. Mr. Humphreys, do you recall a case in which you were involved before the United States Board of Tax Appeals?

Mr. HUMPHREYS. Do I recall it?

Mr. ROBINSON. Yes.

Mr. HUMPHREYS. Yes, I do. Who could forget it?

Mr. ROBINSON. Do you recall the date that that case was heard?

Mr. HUMPHREYS. The date?

Mr. ROBINSON. Yes, the year, approximately.

Mr. HUMPHREYS. No, I don't.

Mr. ROBINSON. Around 1939, would that be about right?

Mr. HUMPHREYS. Approximately that, yes, sir.

Mr. ROBINSON. And you testified in that case rather fully?

Mr. HUMPHREYS. Yes, I did.

Mr. ROBINSON. And do you recall what the circumstances were of the case? What was the basis of the case?

Mr. HUMPHREYS. It was a tax case, a matter of collecting the tax.

Mr. ROBINSON. Certain taxes that you had failed to report, was that the basis for the charge?

Mr. HUMPHREYS. That is right, sir.

Mr. ROBINSON. Was there also an indictment that arose out of the same facts?

Mr. HUMPHREYS. Yes, sir, but now I am going to ask to make my statement. I have asked for it three or four times.

Mr. ROBINSON. That is a matter of public record, isn't it?

Mr. HUMPHREYS. That is right, sir. It is a matter of public record, but I would still like to get my statement into the record at this time.

The CHAIRMAN. Does it pertain to the very matter that has just been asked of you?

Mr. HUMPHREYS. No, it does not, Mr. Chairman, but I have requested to make my statement when I first came into the room.

Senator TOBEY. I'll bet I can guess what it is.

Mr. HUMPHREYS. It will save your time.

The CHAIRMAN. You are at liberty to do so.

Mr. HUMPHREYS. Thank you.

The statement in the public press quoting members of this committee and other Federal officials assert that I am to be prosecuted for violation of Federal criminal laws. Because of this statement I must assert fully my constitutional right against self-incrimination. Accordingly I refuse to answer the questions upon the grounds that my answers might tend to incriminate me, under the fifth amendment of the Constitution, which provides that no person shall be compelled to be a witness against himself.

Thank you.

Senator TOBEY. Thank you, sir.

Mr. HUMPHREYS. I would like to have this in the record.

The CHAIRMAN. It may be placed in the record.

(The document referred to above appears on p. 238.)

Senator TOBEY. Have you read the United States Constitution?

Mr. HUMPHREYS. I am going to refuse to answer that.

Senator TOBEY. That is nothing to be ashamed of, you know.

Mr. HUMPHREYS. No, it isn't, but I doubt if very many people have read the Constitution all the way through.

Mr. MOSER. Do you refuse to answer the simple question as to whether you read the Constitution of the United States, "Yes" or "No?" Do you refuse to answer on the ground that it would incriminate you?

Mr. HUMPHREYS. No. Just a minute. Let's get this right in the record. If you want to make a record. I didn't say I refused to answer, or I didn't read. I said I have not read it all. Is that clear?

The CHAIRMAN. Then you stated that you thought few people had.

Mr. HUMPHREYS. That is right, sir.

Mr. MOSER. You refuse to answer the question of whether or not you have read it all; is that it?

Mr. HUMPHREYS. I did not refuse to answer it, no, sir.

Mr. MOSER. Then answer it "Yes" or "No."

Mr. HUMPHREYS. I said "No," I have not read it all.

Mr. MOSER. All right.

The CHAIRMAN. Now, wait for another question to be asked.

Senator TOBEY. Do you mind telling us who prepared that statement for you?

Mr. HUMPHREYS. I have to refuse that, Senator, I am sorry.

Mr. MOSER. Was it prepared by counsel?

Mr. HUMPHREYS. I refuse to answer. I stand on my constitutional rights.

Mr. MOSER. Do you claim it would tend to incriminate you to refer to the fact that you may have counsel?

Mr. HUMPHREYS. I just am refusing.

Mr. MOSER. You are refusing, irrespective of whether it would expose you to an accusation of crime?

Mr. HUMPHREYS. No, I don't know whether it would or would not.

Mr. ROBINSON. Well, you must have some reasonable grounds for anticipating that it might. Do you have those grounds, or are you just stating it categorically?

Mr. HUMPHREYS. I will stand on my original statement, counselor.

Mr. ROBINSON. Well, do I understand that you refuse to answer any questions concerning matters that are of public record?

Mr. HUMPHREYS. I am going to stand on my statement.

Mr. ROBINSON. In other words, whether or not it is not a matter of public record that you were involved in a particular case, and that you were indicted?

Mr. HUMPHREYS. Well, I think that is leading to other questions, and I will have to decline, like I have done already.

Mr. MOSER. Mr. Humphreys.

Mr. HUMPHREYS. Yes, sir.

Mr. MOSER. You understand, I would like to say this, since you have no counsel here with you, you understand that if we ask you questions,



the answers to which will not tend to incriminate you, that you have to answer, and that the only questions that you can refuse to answer are the ones which will tend to incriminate you.

If I ask you a simple question, such as, "What is your name and address," you cannot decline to answer. If I ask you a question such as how you got here, by train or automobile, or something like that, where there is no danger of incrimination, you have got to answer.

Now, if we ask you about a case which is a matter of public record in the Board of Tax Appeals, if your answer will not tend to incriminate you, you have got to answer it. Do you understand that?

Mr. HUMPHREYS. Would you mind telling me your name, sir?

Mr. MOSER. My name is——

The CHAIRMAN. This is Mr. Richard Moser, chief counsel for the committee.

Mr. HUMPHREYS. Oh, I am sorry. I just like to know who I am talking to.

Well, I don't understand it that way. I understand that the smallest question may tend to incriminate me, so therefore I don't know if it is a leading question that you are offering to me, or whether I am in good hands or not, if you will pardon my expression.

Mr. ROBINSON. Well, is your basis for refusing to answer all questions on the ground that some questions might lead to other questions that would tend to incriminate you?

Mr. HUMPHREYS. That is right, sir.

Mr. ROBINSON. But the particular question that you might be asked would not in and of itself tend to incriminate you?

Mr. HUMPHREYS. Well, I am not a lawyer here, and I would like to help this committee if I possibly could, but I don't feel like I am amongst friends, just to be plain spoken.

Senator TOBEY. Well, you could, you know; some of us think you could open up and tell us an interesting story, if you want to.

Mr. HUMPHREYS. Isn't that your opinion, Senator?

Senator TOBEY. It certainly is, and I certainly credit you with it.

Mr. HUMPHREYS. It is not mine, Senator.

Senator TOBEY. But you do agree as a citizen, under the Constitution, that we all want to make this country a decent, clean, and straight nation; isn't that right?

Mr. HUMPHREYS. Oh, yes; that is right.

Senator TOBEY. And with all of this criminal business that is going on in Chicago and across the Nation, and if you have information of it, don't you think, as a good citizen, that you ought to tell us all you know about the sordid characters of the underworld?

Mr. HUMPHREYS. Don't you think that is just your statement, the last part of it? Don't you think that Chicago is as clean as any other city? Were you insinuating that our city is not clean?

Senator TOBEY. Well, I was not picking on Chicago particularly. I will say any city; let's take Nashua, N. H. That was just an illustration, that is all. Now, on the basis, don't you think, as a good citizen, that you and I should—that it is our job to tell about wrongdoings and sin and criminality?

Mr. HUMPHREYS. Do you doubt whether I am a good citizen or not?

Senator TOBEY. I have not intimated that, but don't you think that you and I and everybody else should do that?

Mr. HUMPHREYS. Yes; I do.

Senator TOBEY. Won't you take the opportunity to tell this committee all you know about crime and those criminals that are carrying on an illegal business in this country, starting all the way through?

Mr. HUMPHREYS. You heard my statement here.

Senator TOBEY. I heard it, but I say—I asked the paramount question: Isn't it our duty to divulge these things and give all the information we can before a body like this, of the United States Senate, and the courts, so that we can make a decent America out of it?

Mr. HUMPHREYS. You have my answer. I think I heard you make those speeches before.

Senator TOBEY. I am making them again.

Mr. HUMPHREYS. Yes; you have trained on that.

Senator TOBEY. You admitted you thought that we ought to, as good citizens, do that.

Mr. HUMPHREYS. That is right.

Senator TOBEY. And you now decline to do that?

Mr. HUMPHREYS. You asked the question if I was a good citizen.

Senator TOBEY. I asked if we are both good citizens, then shouldn't we make public all the information we have and give evidence against wrongdoing in this country? Isn't that right, that we should do that as good citizens?

Mr. HUMPHREYS. Well, you have had my answer. There is no use in you and I getting into a discussion here, Senator. I am still standing on my statement, and I want that made clear.

Senator TOBEY. Well, I got that. But there is something that transcends that statement, and that is that you and I, as good citizens, should be doing something for the good of the country.

Mr. ROBINSON. Are you a citizen?

Mr. HUMPHREYS. Yes, sir. I was born and raised in Chicago.

Mr. ROBINSON. When were you born?

Mr. HUMPHREYS. It was 52 years ago, in 1899, April 20.

Mr. ROBINSON. And were your parents born here, too?

Mr. HUMPHREYS. Yes, sir.

Mr. ROBINSON. Are your parents living?

Mr. HUMPHREYS. My father is living.

Mr. ROBINSON. Is he in business?

Mr. HUMPHREYS. No, sir.

Mr. ROBINSON. Is he retired?

Mr. HUMPHREYS. Yes, sir.

Mr. ROBINSON. Do you support him?

Mr. HUMPHREYS. Yes, sir.

Mr. ROBINSON. And you are married?

Mr. HUMPHREYS. Yes, sir.

Mr. ROBINSON. Do you have any children?

Mr. HUMPHREYS. Yes, sir.

Mr. ROBINSON. How many children?

Mr. HUMPHREYS. One.

Mr. ROBINSON. A daughter?

Mr. HUMPHREYS. Yes, sir.

Mr. ROBINSON. How old is she?

Mr. HUMPHREYS. She is 16.

Mr. ROBINSON. And you have always lived in Chicago?

Mr. HUMPHREYS. Yes, sir.

Mr. ROBINSON. Has Humphreys always been your name?

Mr. HUMPHREYS. I am going to decline to answer that, sir. I will stand on my constitutional rights there, and I am going to claim my privilege and refuse to answer that. We might as well have that plain between you and I.

Mr. ROBINSON. What is your father's name?

Mr. HUMPHREYS. Bryant.

Mr. ROBINSON. Is that his first name or last name?

Mr. HUMPHREYS. That is right; Bryant Humphreys.

Mr. ROBINSON. Bryant Humphreys?

Mr. HUMPHREYS. Yes, sir.

Mr. ROBINSON. So you were born with the name of Humphreys?

Mr. HUMPHREYS. I hope I was. Nobody has told me differently.

Mr. ROBINSON. The question I was trying to ask was whether you always had the name of Humphreys, the name that you were born with.

Mr. HUMPHREYS. Yes, sir.

Mr. ROBINSON. Have you ever used the name of Harris?

Mr. HUMPHREYS. Yes; I have.

Mr. ROBINSON. And J. Harris?

Mr. HUMPHREYS. Yes; I have.

Mr. ROBINSON. And did you ever have your name legally changed to Harris?

Mr. HUMPHREYS. No, sir.

Mr. ROBINSON. Do you use that for business reasons?

Mr. HUMPHREYS. I will have to decline to answer that. Are you a Senator? Pardon me.

Mr. ROBINSON. No; I am counsel.

The CHAIRMAN. Mr. Robinson is counsel for the committee.

Mr. HUMPHREYS. I am sorry, sir.

Mr. ROBINSON. Have you used the name Harris long?

Mr. HUMPHREYS. A long time; yes, sir.

Mr. ROBINSON. Would you say why you used that name?

Mr. HUMPHREYS. No; I wouldn't say why I have used that name.

Mr. ROBINSON. At the time you were indicted, did you serve time for income-tax violations?

Mr. HUMPHREYS. Well, that is a matter of record; yes, sir.

Mr. ROBINSON. You were sentenced to about 18 months; isn't that correct?

Mr. HUMPHREYS. Yes, sir.

Mr. ROBINSON. Where did you serve your time?

Mr. HUMPHREYS. Leavenworth, Kans.

Mr. ROBINSON. And you were released after serving how long?

Mr. HUMPHREYS. Well, the maximum, I think, was almost 15 months. I am not quite sure. I think it was that, or they give 90 days, or something, off for good behavior. It is so long ago I don't recall.

Mr. ROBINSON. Were you arrested immediately after your indictment.

Mr. HUMPHREYS. I am going to refuse to answer that. I will claim my privilege on that.

Mr. ROBINSON. Well, you have testified to that before, haven't you?

Mr. HUMPHREYS. What have I testified to?

Mr. ROBINSON. That you were not arrested immediately after your indictment?

Mr. HUMPHREYS. I have not testified to that.

Mr. ROBINSON. You did not testify to that in the tax case, that you left Chicago before you were arrested, and had been gone about a year?

Mr. HUMPHREYS. I don't recall that.

Mr. ROBINSON. And that you came in and surrendered?

Mr. HUMPHREYS. I will decline to answer that. I don't know what you are getting at, Counselor, but I am going to decline to answer that, and claim my privilege on that question.

And I think so long as we are going into that, and you are going to try to insist on me answering questions here, that I am going to claim my privilege on all answers from now on in this hearing, and stand on my constitutional rights under the fifth amendment.

Mr. ROBINSON. In other words, you will refuse to answer any more pertinent questions that are put to you by any members of the committee or counsel?

Mr. HUMPHREYS. That is right.

Mr. MOSER. On any subject?

Mr. HUMPHREYS. On any subject; yes, sir.

Mr. MOSER. Even though it may be relevant for the purposes of this hearing?

Mr. HUMPHREYS. You just heard my statement, Counselor, and that is what I stand on.

The CHAIRMAN. We do want to make it plain, we want to get it straight from you, as to just what your attitude is. Are we to understand in regard to any and every question that might be asked, of any kind, that you will decline to answer?

Mr. HUMPHREYS. That is right, sir.

Mr. ROBINSON. Have you been to the Mayo Clinic recently?

Mr. HUMPHREYS. I will decline to answer that.

Mr. ROBINSON. Do you have some trouble with your eyes?

Mr. HUMPHREYS. I am blind in one eye; yes, sir.

The CHAIRMAN. The reason I made that statement is that I wish to explain to you that the committee directs you to answer.

Mr. HUMPHREYS. Yes, sir; I understand that, and I am going to decline.

The CHAIRMAN. I did not want to repeat it each time.

Mr. HUMPHREYS. Yes. And may we have it understood that I am standing on my constitutional rights?

The CHAIRMAN. Yes; in regard to each question. Counsel, will you then ask the questions you have in mind?

Mr. ROBINSON. Did you at one time, or were you at one time, associated in any way with the Meadowmoor Dairy?

Mr. HUMPHREYS. I am going to decline to answer that.

Mr. ROBINSON. Did you ever know any people who were associated with that company?

Mr. HUMPHREYS. I am going to claim my privileges on that.

The CHAIRMAN. Now, just in this connection, the instructions are given to you by the committee to answer each of those questions, and you refuse?

Mr. HUMPHREYS. Yes; I understand; and you understand that I claim my privilege.

The CHAIRMAN. You claim your privilege in each case?

Mr. HUMPHREYS. That is right, sir. Thank you very much.

Mr. ROBINSON. Have you ever heard of Charles Fischetti?

Mr. HUMPHREYS. I am going to decline to answer that. I claim my privilege.

Mr. ROBINSON. What business was he in?

Mr. HUMPHREYS. I claim my privilege.

Mr. ROBINSON. Do you recall testifying in the tax case that Charles Fischetti was a bookmaker?

Mr. HUMPHREYS. I will decline to answer that, sir, and claim my privilege.

Mr. ROBINSON. You claim your privilege as to whether you recall making that statement?

Mr. HUMPHREYS. I will claim my privilege; yes, sir.

Mr. ROBINSON. It is a fact you made the statement; is it not?

Mr. HUMPHREYS. I will claim my privilege on that also.

Mr. ROBINSON. Do you know Ralph O'Hara?

Mr. HUMPHREYS. I claim my privilege on it also, sir.

Mr. ROBINSON. Have you ever heard or read about the R. & H. Publishing Co.?

Mr. HUMPHREYS. I will refuse to answer that question on the ground it might tend to incriminate me.

Mr. ROBINSON. Have you ever heard or read about the Trans-America Publishing Co.?

Mr. HUMPHREYS. I am going to refuse to answer that question on the ground that my answers might tend to incriminate me.

Mr. ROBINSON. Do you know what the business was of the Trans-America Publishing Co.?

Mr. HUMPHREYS. I still claim my privilege on that, sir.

Mr. ROBINSON. That was a legitimate business, was it not?

Mr. HUMPHREYS. You have had my answer on that. I still claim my privilege.

Mr. ROBINSON. Do you know whether Ralph O'Hara was an officer of that company?

Mr. HUMPHREYS. I still claim my privilege on that, also.

Mr. ROBINSON. Do you know James Ragen?

Mr. HUMPHREYS. I claim my privilege on that, also.

Mr. ROBINSON. Have you ever heard of James Ragen?

Mr. HUMPHREYS. I am going to claim my privilege on that also, Senator.

Mr. ROBINSON. Do you know, or have you ever heard of the Continental Press Co.?

Mr. HUMPHREYS. I am going to claim my privilege on that also.

Mr. ROBINSON. Did you ever have any conversations regarding the wire service with James Ragen?

Mr. HUMPHREYS. I claim my privilege on that.

Mr. ROBINSON. Did you ever have any conversations with Jake Guzik regarding the wire service?

Mr. HUMPHREYS. I will have to claim my privilege on that also, sir.

The CHAIRMAN. Do you know Jake Guzik?

Mr. HUMPHREYS. I will have to claim my privilege. That may be a leading question, sir.

Mr. ROBINSON. Have you ever heard of the Mid-West News Service?

Mr. HUMPHREYS. I will claim my privilege on that also.

Mr. ROBINSON. Did you know Al Capone?

Mr. HUMPHREYS. I will have to claim my privilege on that also.

Senator TOBEY. Is that a privilege? Do you mean it is a privilege to have known him?

Mr. HUMPHREYS. You know what I mean, Senator, You understand that very plainly by now.

Mr. ROBINSON. Did you know Jack McGurn?

Mr. HUMPHREYS. I will have to claim my privilege on that also, sir. That is a leading question. I feel like that is a leading question.

Mr. ROBINSON. Did you know Frank Nitti?

Mr. HUMPHREYS. I will claim my privilege on that also.

Mr. ROBINSON. Did you ever have any business relations with any of these individuals I have just recently named?

Mr. HUMPHREYS. Well, I am going to have to stand on my constitutional rights and refuse to answer that, sir.

Mr. ROBINSON. Now, what business are you presently engaged in?

Mr. HUMPHREYS. I am going to have to refuse to answer that. I claim my privilege.

Mr. ROBINSON. Have you filed in recent years tax returns?

Mr. HUMPHREYS. I am going to claim my privilege on that. I think that is a leading question.

Mr. ROBINSON. Well, can you answer the simple question as to whether you have filed a tax return in recent years?

Mr. HUMPHREYS. You know that, sir; you know that without me answering it, and you have had my answer. I am going to claim my constitutional right and refuse to answer.

Mr. ROBINSON. Do you recall reporting in your tax returns for the past 2 years the sum of \$45,000 for each year of miscellaneous or sundry income?

Mr. HUMPHREYS. I am going to refuse to answer that, sir, and claim my privilege.

Mr. ROBINSON. Would you state what the source of that income is?

Mr. HUMPHREYS. I am going to refuse to answer that. I am claiming my privilege.

The CHAIRMAN. Have you been engaged in any legitimate activity in the last 10 years?

Mr. HUMPHREYS. Well, Senator, I will have to stand on my constitutional rights on that question. I am sorry, sir.

Mr. ROBINSON. Did you ever invest any money in either the R. & H. Publishing Co. or Trans-America?

Mr. HUMPHREYS. I am going to have to refuse to answer that, sir, and stand on my constitutional rights.

Mr. ROBINSON. Did you know Hymie Levin?

Mr. HUMPHREYS. I am going to claim my privilege.

Mr. ROBINSON. Or Phil Katz or Roy Jones?

Mr. HUMPHREYS. I am going to claim my privilege on that, sir.

The CHAIRMAN. Or Willie Nemoth?

Mr. HUMPHREYS. What was that, sir?

The CHAIRMAN. Or Willie Nemoth.

Mr. HUMPHREYS. I am going to have to claim my privilege. The name is strange, but I will claim my privilege on it.

Mr. ROBINSON. Does your business keep you in Chicago all the time?

Mr. HUMPHREYS. I am going to revert to my privilege on that also, Counselor.

Mr. ROBINSON. Have you been to California?

Mr. HUMPHREYS. I am going to refuse to answer that on the ground it may tend to incriminate me.

Mr. ROBINSON. Or Florida, or New York?

Mr. HUMPHREYS. I am going to claim my privilege also on that, sir.

Mr. ROBINSON. Do you know Frank Costello?

Mr. HUMPHREYS. I am going to claim my privilege on that also.

Mr. ROBINSON. Or Joe Adonis?

Mr. HUMPHREYS. I am going to claim my privilege on that also.

Mr. ROBINSON. Or Jack Dragna?

Mr. HUMPHREYS. I am going to claim my privilege on that also.

Mr. ROBINSON. Have you ever heard—I might have asked you this, but I would like to ask it again—have you ever heard of the Continental Press Co.?

Mr. HUMPHREYS. I am going to have to refuse to answer that question. I think that is a leading question.

The CHAIRMAN. You do understand in regard to all of these that you are directed to answer by the committee, and you still decline for the reasons you stated?

Mr. HUMPHREYS. Yes, Mr. Chairman. Thank you very much.

Mr. ROBINSON. Does your wife have a separate business from yours?

Mr. HUMPHREYS. I am going to have to refuse to answer that, and claim my privilege on that.

Mr. ROBINSON. Do you know or did you know William Drury?

Mr. HUMPHREYS. I am going to claim my privilege on that also, sir.

Mr. ROBINSON. Do you know who killed James Ragen?

Mr. HUMPHREYS. I am going to have to claim my privilege on that, also, sir.

Mr. ROBINSON. Do you know who killed William Drury?

Mr. HUMPHREYS. I will have to claim my privilege on that also, sir.

Mr. ROBINSON. If you had any knowledge of circumstances of the killing of either of those two, would you give it to the police officials?

Mr. HUMPHREYS. I am going to claim my privilege on that also.

Mr. ROBINSON. Do you know Ralph Pierce?

Mr. HUMPHREYS. I am going to claim my privilege on that also.

Mr. ROBINSON. Have you ever been in business with him?

Mr. HUMPHREYS. I am going to refuse to answer that on the ground it may tend to incriminate me.

Mr. ROBINSON. Did you know the gentleman who preceded you into the hearing room?

Mr. HUMPHREYS. I will refuse to answer that also.

Mr. ROBINSON. Do you know him under the name of Rocco Fischetti?

Mr. HUMPHREYS. I am going to claim my privilege on that also.

Mr. ROBINSON. How did you get to Washington for this hearing?

Mr. HUMPHREYS. Oh, for this hearing?

Mr. ROBINSON. Yes.

Mr. HUMPHREYS. I flew in.

Mr. ROBINSON. From Chicago?

Mr. HUMPHREYS. Yes, sir.

Senator TOBEY. When did you come in, last night?

Mr. HUMPHREYS. Yes, sir.

Senator TOBEY. On nine fourteen?

Mr. HUMPHREYS. I don't recall.

Senator TOBEY. Capital Airlines?

Mr. HUMPHREYS. You mean the number of the flight—yes; it was Capital Airlines.

Senator TOBEY. Did you get in about 10 o'clock?

Mr. HUMPHREYS. Something like that.

Senator TOBEY. I was on that plane, too.

Mr. HUMPHREYS. You were? Well, we had a distinguished guest on it then, didn't we?

Senator TOBEY. I can say that that goes both ways. However, if I had seen you there, maybe we could have settled this all up before we got in town.

Mr. HUMPHREYS. Well, if I had seen you, Senator, I think I would have tried to get off.

Mr. ROBINSON. Do you know Paul Ricca?

Mr. HUMPHREYS. I am going to have to decline to answer that.

Mr. ROBINSON. Did you know Louis Campagna?

Mr. HUMPHREYS. I claim my privilege on that, sir.

Mr. ROBINSON. Isn't it true that you visited Capone fairly frequently?

Mr. HUMPHREYS. What was that question?

Mr. ROBINSON. Isn't it true that you visited Al Capone fairly frequently when he was alive?

Mr. HUMPHREYS. I will have to claim my privilege on that, sir. I don't know where you get all these questions.

Mr. ROBINSON. Do you recall testifying as to that before the tax board?

Mr. HUMPHREYS. No, sir; that is not so. That is not so at all.

The CHAIRMAN. You did not testify to that?

Mr. HUMPHREYS. He is referring way back to 1930 now, and he is putting the question wrong. Yes; I did say that I met Al Capone once or twice at that hearing, and that is all.

Mr. ROBINSON. And that you were friendly with him and discussed matters with him?

Mr. HUMPHREYS. Oh, no, no.

The CHAIRMAN. You did not testify to that?

Mr. HUMPHREYS. I don't remember just what the testimony was, but I remember meeting him back in 1930, or thereabouts. It could have been 1929 or 1928, somewhere.

The CHAIRMAN. In that testimony at that time that was given, which you have already admitted, were there any questions asked concerning a ransom paid for a kidnaping?

Mr. HUMPHREYS. Well, Senator, that is a leading question, and I will have to decline; not that I don't feel that I can answer the question, but I feel that it leads to something else.

The CHAIRMAN. My only question is whether or not it was included in that testimony, whether there was some testimony about that.

Mr. HUMPHREYS. Yes, sir; there was. If that is what you would like to know.



The CHAIRMAN. We wanted to identify whether it was the same record.

Mr. HUMPHREYS. Yes; it is all the same case.

The CHAIRMAN. Can you give us any details as to what was testified to or what the record showed as to the questions concerning the payment of a ransom of \$50,000 for kidnaping?

Mr. HUMPHREYS. Well, is that the only thing you wish to talk about on it?

The CHAIRMAN. Yes.

Mr. HUMPHREYS. I can make that very clear to you. It seemed that I went to prison for my income tax, and I think that was in the year 1934, and I was released in right close to 1936, and at the time I went in and pleaded guilty to my income-tax charges, and at that time this kidnaping was brought up, and we threatened to withdraw the plea, because there was no such thing ever happened between Mr., I think his name was Ficci, if I remember, and, in fact, I never even knew the man.

So it was withdrawn by the district attorney at that time, and he accepted the plea on the income tax. At least, I understood it that way.

Then when I tried to make the offer and compromise, of course, that was more ignorance on my part, not being familiar with the Government's ways, and they had offered to make a settlement with me outside of the tax board of appeals, and at that time whoever the lawyers were representing the Government, not to me personally, but to my lawyer, and he turned down the offer without consulting me about it. I think he offered them a ridiculous figure of some kind, and the case was carried over for another year.

When we went before the tax board of appeals they brought Mr. Steve Summers in, and other members of the union, and Mr. Steve Summers claimed at that time there was a \$50,000 ransom paid for the release of Mr. Ficci. I think that is the right pronunciation. And that he had seen, if I recall his testimony, he had seen two fellows pick up the ransom money, and he had delivered the money and stuff to a church, I am quite sure it was a church doorway, and that one of these fellows was myself and another was Barker, if I recall.

At that time my lawyer questioned him, when he was on the witness stand, and asked him if he saw the car that picked this ransom money up in front of his office the next day, and he declined to answer that at that time, and the commissioner, I think that is what you call him on those hearings, isn't it, a commissioner, he demanded that he answer the question, and told him to answer that question and come back with the lawyer the next morning and answer that question or he was going to cite him.

The next morning he come back on the stand and he said he wasn't sure whether that was the car, so the commissioner let it go, and I had to pay for it, in other words.

But the whole question there now, I am making this statement now, and I realize what perjury is in this hearing, but I had nothing to do with the kidnaping of Mr. Ficci, and his whole trouble was, this Mr. Summers was quite an elderly fellow, and he was childish, and he had a vindictive state of mind, and his revenge was caused by my being in the milk business, and that was one way to get me out of the milk business.

That is my story, anyway, and I am trying to get it as correct as I can now.

Mr. MOSER. You have been in the milk business, then?

Mr. HUMPHREYS. I said I would answer that one question. I was just bringing it up.

Senator TOBEY. Which side of the cow do you sit on to milk?

Mr. HUMPHREYS. Beg your pardon?

Senator TOBEY. Which side of a cow do you sit on to milk?

Mr. HUMPHREYS. Well, I don't know if I have ever gotten that low yet.

Senator HUNT. Were your father and mother born in this country?

Mr. HUMPHREYS. Yes, sir.

Senator HUNT. Has Chicago been their home for a great many years?

Mr. HUMPHREYS. Yes, sir. In fact, they had their sixtieth anniversary a few years back, before I lost my mother.

Senator HUNT. Was your wife born in this country, too?

Mr. HUMPHREYS. Yes, sir.

Senator HUNT. What was her maiden name?

Mr. HUMPHREYS. Brendel.

Senator HUNT. Do you have just the one child?

Mr. HUMPHREYS. That is all; yes, sir.

Senator HUNT. And she is 16?

Mr. HUMPHREYS. Yes, sir.

Senator HUNT. Is she in high school?

Mr. HUMPHREYS. Yes, sir.

Senator HUNT. Was she born before or after you were in Leavenworth? It must have been about that time; wasn't it?

Mr. HUMPHREYS. It was just about the time; yes. But my wife was away with me at that time, before I surrendered.

What does that have to do with this hearing?

Senator HUNT. It is very interesting, to those of us who know of the records that you gentlemen have, to learn something about the family, to ascertain what it is in their background of family life that brings about situations like yours. I am trying to get a social background of your family.

Are you a high-school graduate?

Mr. HUMPHREYS. No, sir. But you are going into things that I don't think should be brought up in this. I don't see where that has anything to do with this hearing.

Senator HUNT. All you have to do is to say you refuse to answer.

Mr. HUMPHREYS. Let's start right now. I refuse.

Senator HUNT. Do you want to tell me what year your daughter is in high school?

Mr. HUMPHREYS. I will have to refuse to answer that, so long as you have suggested that.

Senator HUNT. Does your daughter know you are down here today?

Mr. HUMPHREYS. I refuse to answer that.

Senator HUNT. Does she know why you are down here?

Mr. HUMPHREYS. I have to refuse to answer that.

Senator HUNT. What church does your daughter belong to?

Mr. HUMPHREYS. I am going to have to refuse to answer. I don't see what that has to do with this meeting here, with these honorable gentlemen. I cannot understand why my daughter should be brought

into a meeting like this. You wouldn't like your daughter or wife brought into it.

Senator HUNT. That is not any of your business why I am asking questions. All you need do is refuse to answer. You need not comment on why I ask you questions, I am sure, and I am sure that I have not asked you any questions——

Mr. HUMPHREYS. I am sure that I would not say it was none of your business; I would be more of a gentleman about it.

Senator HUNT. Sometimes in an official capacity which we occupy we have to ask questions, and we have to get these things done by finding out these things.

Mr. HUMPHREYS. That I realize, sir.

Senator HUNT. Now, you don't care to tell me what church your daughter belongs to?

Mr. HUMPHREYS. No, sir.

Senator HUNT. And you don't care to tell what year she is in in high school?

Mr. HUMPHREYS. No, sir.

Senator HUNT. Do you care to tell me what high school she attends?

Mr. HUMPHREYS. I could tell you; it is already in the record, but I am going to refuse to answer, because I think you are asking the wrong questions. Are you a Senator?

The CHAIRMAN. This is Senator Hunt of Wyoming.

Senator HUNT. What is your daughter's first name?

Mr. HUMPHREYS. I am going to decline to answer those questions. I don't see where my daughter has anything to do with this hearing.

Senator HUNT. All you have to do is to say you do or do not care to answer it. It is not for you to pass on the type of questions I ask at all. If you don't care to answer, just say so.

Mr. HUMPHREYS. Would you like to have people asking questions about your family?

Senator HUNT. It is immaterial. You are not questioning the Senator; the Senator is questioning you. You are the one who is the witness.

Mr. HUMPHREYS. I realize that, but I still resent the line of questioning, Senator.

Senator HUNT. You are going to be cited for contempt; I can tell you that.

Mr. HUMPHREYS. I am sorry to hear that, sir.

Senator HUNT. When somebody is asking you a decent line of questions, and nothing that you should refuse to answer. What I am getting at is the sociological aspect of this situation that causes so much crime in the country, and we are trying to find out something about your home life and what brought this on. We are not going to solve these problems until we get to the very basis of what causes crime in the United States.

Mr. HUMPHREYS. Then you are under the impression that I am a criminal; is that it?

Senator HUNT. I would refuse to answer the question, because it might incriminate me. I have no other questions.

The CHAIRMAN. All right.

MR. HUMPHREYS. I am sorry, Senator; I did not mean to go against you there, but that is talk about my family, and I don't think they should be brought into the hearing.

THE CHAIRMAN. Mr. Moser, the chief counsel, has several questions.

MR. MOSER. Do you know that the purpose of this committee is to investigate the conditions that give rise to organized crime throughout the United States in interstate commerce?

Do you know of any illegal activities that are being carried on that would be of interest to this committee, in which you are not involved yourself?

MR. HUMPHREYS. I am going to have to decline to answer that. I will stand on my constitutional rights.

THE CHAIRMAN. Counsel makes it plain that he is only referring to knowledge on your part about matters that do not in any way involve you.

MR. MOSER. Crimes that you could not be accused of. Do you know of any such illegal activities?

MR. HUMPHREYS. After the statements this committee has made to the press, and such as that, I cannot answer questions like that.

MR. MOSER. You decline to answer?

MR. HUMPHREYS. Yes; I do.

THE CHAIRMAN. You are instructed by the committee to answer, and you still decline?

MR. HUMPHREYS. For, and you understand on what grounds.

THE CHAIRMAN. For the reasons you have stated?

MR. HUMPHREYS. Yes, sir.

THE CHAIRMAN. In other words, you have already stated the reasons why you have declined, and the same reasons hold good in this connection?

MR. HUMPHREYS. That is correct. Thank you, sir.

MR. ROBINSON. I believe you testified you have been a resident of Chicago practically all your life?

MR. HUMPHREYS. Yes, sir.

MR. ROBINSON. Do you know anything about the problem they have in Chicago with respect to narcotic traffic among high-school children?

MR. HUMPHREYS. Only what I have read in the newspapers, sir.

MR. ROBINSON. Well, could you describe what you have read in the newspapers?

MR. HUMPHREYS. Well, it is a terrible thing if the children are getting hold of narcotics and such as that, but I wouldn't know any more than you know about it, and I am quite sure you don't know much about narcotics.

MR. ROBINSON. Well, the purpose of my asking is to ascertain what information we can obtain with respect to that particular problem, and I assume that you have a daughter who is in high school.

MR. HUMPHREYS. Yes, sir.

MR. ROBINSON. And I wondered whether or not there had been any information brought back to you through her about the very serious problem that I know and assume you know from the newspapers that exists in high schools of Chicago.

MR. HUMPHREYS. I have heard such things only in the newspapers, sir. I don't know anything about that, and I don't let my daughter get that far away from me. I keep her home nights.

Mr. ROBINSON. You have read about the initial approach of the sale of marijuana cigarettes to high-school students?

Mr. HUMPHREYS. I have read it in the newspapers.

Mr. ROBINSON. And the graduation from the use of that form of narcotics to heroin and other stronger forms of dope?

Mr. HUMPHREYS. Yes, sir.

Mr. ROBINSON. You have not been involved in that as a citizen in any way, to try to do something about that problem?

Mr. HUMPHREYS. Well, I don't think we have it on our district. I don't know, and I have never had anyone bring it up.

Mr. ROBINSON. What district is it most prevalent in, from your reading of the papers?

Mr. HUMPHREYS. I imagine it is more in the slum areas. I don't think it is around in the outlying districts.

Mr. ROBINSON. Is it particularly acute in the South Side?

Mr. HUMPHREYS. Well, from what I have read, it is mostly in the colored schools. I don't know, of course; I don't go by newspapers either, and I don't know how true it is. In other words, mostly like the reports you have read and I have read on it, that is all I can say.

The CHAIRMAN. I think that will end the examination.

Mr. HUMPHREYS. Thank you, sir.

May I ask to have the interim report sent to the court or to the grand jury if this committee intends to ask for an indictment on this hearing?

The CHAIRMAN. Just in that connection—

Mr. HUMPHREYS. Where my name has been involved.

The CHAIRMAN. You mean you want to have the committee reports sent to the grand jury?

Mr. HUMPHREYS. That is right. If this committee has intentions of recommending my indictment, like the honorable Senator suggested, then I would like to have the report sent to the district attorney.

The CHAIRMAN. It is interesting for me to observe that in the case of the preceding witness, Rocco Fischetti, that he made the same request.

Had you together discussed the matter before you came here?

Mr. HUMPHREYS. Yes; we had.

The CHAIRMAN. You had?

Mr. HUMPHREYS. Yes, and you know, the longer you fellows work, the more we understand what our rights are.

The CHAIRMAN. I see. So, there was a conference between you so as to decide on a joint statement of your attitude; is that right?

Mr. HUMPHREYS. No. I just told him that I was going to ask for it, and I suppose he asked for it, too.

The CHAIRMAN. The only reason I mentioned it, in his comment he does have a similar request, and it struck me as significant that the two requests were made along the same lines.

You did discuss it together?

Mr. HUMPHREYS. Yes. I had breakfast with him.

Senator TOBEY. Your minds met on the procedure to follow?

Mr. HUMPHREYS. Yes, sir. I think we are right on that.

Mr. ROBINSON. Where did you have breakfast with him?

Mr. HUMPHREYS. At the—what is the big hotel?—The Mayflower.

Senator TOBEY. What did you have for breakfast?

Mr. MOSER. You and Mr. Fischetti have the same lawyer?

Mr. HUMPHREYS. I have no lawyer on this, sir.

Mr. ROBINSON. How long have you known Mr. Fischetti?

Mr. HUMPHREYS. Now, you are starting it all over.

Mr. ROBINSON. You did know him. You had breakfast with him.

Mr. HUMPHREYS. That is right.

Mr. ROBINSON. Did you come here to Washington with him?

Mr. HUMPHREYS. Yes; I was on the same plane with him. The Senator should know that.

Mr. ROBINSON. Did you have arrangements to meet him in Chicago before you came here?

Mr. HUMPHREYS. Sir?

Mr. ROBINSON. Did you arrange to meet Rocco in Chicago before you came here?

Mr. HUMPHREYS. Well, I am going to decline to answer that, sir, on the ground that it may tend to incriminate me.

The CHAIRMAN. You have asked the committee in the event there is any action looking toward contempt that the record be sent in order that we can understand and give consideration to what you are requesting?

Mr. HUMPHREYS. I met him at the airport, sir.

The CHAIRMAN. I am not talking about him. I am talking about you, now.

Mr. HUMPHREYS. Yes, sir. I misunderstood you.

The CHAIRMAN. Let me start over again. You have asked for yourself in the event this committee decides to take steps looking toward your being found or cited for contempt, that the record be sent up?

Mr. HUMPHREYS. Yes, sir.

The CHAIRMAN. Why do you want that?

Mr. HUMPHREY. Because I just feel that the court can decide better on my testimony here, and what the committee is looking for, and I think I will have more chance to explain it to the court.

The CHAIRMAN. If the whole record is sent up?

Mr. HUMPHREYS. Yes, sir.

The CHAIRMAN. With particular reference to what phases of the committee's investigation?

Mr. HUMPHREYS. Well, mostly, sir, on my own basis.

The CHAIRMAN. I see. As relating to you?

Mr. HUMPHREYS. That is right.

Mr. ROBINSON. How did Rocco know that you were coming to Washington?

Mr. HUMPHREYS. Beg your pardon?

Mr. ROBINSON. How did Rocco know you were coming to Washington?

Mr. HUMPHREYS. Well, there wouldn't be any secret on that. It has been in the newspapers.

Mr. ROBINSON. How would he know you were coming, too?

Mr. HUMPHREYS. I beg your pardon?

Mr. ROBINSON. How would he know you were coming, too, or how would you know he was coming today?

Mr. HUMPHREYS. How would I know?

Mr. ROBINSON. Yes.

Mr. HUMPHREYS. Well, I suppose by talking to him. How else would a person know?

Mr. ROBINSON. When did you talk to him about it?

Mr. HUMPHREYS. I have talked to Mr. Fischetti several times.

Mr. ROBINSON. About his appearance here?

Mr. HUMPHREYS. No; not about his appearance here. I just knew he was coming, and I come with him.

The CHAIRMAN. In other words, you talked about coming in on the same plane?

Mr. HUMPHREYS. Oh, yes, sir.

Senator TOBEY. Do you know Charles, the one who died, the one that died?

Mr. HUMPHREYS. I will decline to answer that.

Senator TOBEY. Did Charles resemble, physically, this Rocco Fischetti? They looked alike, did they?

Mr. HUMPHREYS. I decline to answer that, Senator.

The CHAIRMAN. All right. I think that will end the statement.

Now, you have given bond before?

Mr. HUMPHREYS. Yes, sir, I have.

The CHAIRMAN. The committee considers you are still under subpoena, and without requiring a new bond, the same bond will be continued.

Mr. HUMPHREYS. Thank you very much.

(Whereupon, at 1 p. m., the committee adjourned.)





# INVESTIGATION OF ORGANIZED CRIME IN INTERSTATE COMMERCE

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TUESDAY, JUNE 19, 1951

UNITED STATES SENATE,  
SUBCOMMITTEE OF THE SPECIAL COMMITTEE TO INVESTI-  
GATE ORGANIZED CRIME IN INTERSTATE COMMERCE,  
*Washington, D. C.*

## EXECUTIVE SESSION

The subcommittee met, pursuant to call of the chairman, at 10 a. m., in room 457, Senate Office Building, Washington, D. C., Senator Herbert R. O'Connor (chairman) presiding.

Present: Senator O'Connor.

Also present: Richard G. Moser, chief counsel; Joseph Nellis, special counsel; James M. Hepbron, administrative assistant; Lawrence Goddard, investigator.

The CHAIRMAN. All right, gentlemen, the committee is now going into executive session. Will you kindly clear the room.

The committee will come to order. The committee is now in executive session.

I should like to note for the record that by resolution of the full committee, a subcommittee has been authorized to sit in connection with the interrogation of the witnesses summoned for today, and the subcommittee has been duly appointed, one Senator constituting a quorum, and the Senator from Maryland, pursuant to that authority, will proceed with the interrogation of the witness, Samuel Haas.

Now, Mr. Haas, it is customary for everyone appearing here to be sworn. I don't suppose you have any objection to that.

Mr. HAAS. No objection.

The CHAIRMAN. Very well. Will you please raise your right hand.

In the presence of the Almighty God, do your swear that the testimony which you are about to give shall be the truth, the whole truth, and nothing but the truth?

Mr. HAAS. I do.

The CHAIRMAN. Now, we understand that your counsel accompanies you.

Mr. HAAS. Yes.

The CHAIRMAN. Will you be good enough to give the reporter your name for the record, please.

Mr. BECKER. My name is Samuel Becker, and my address is 1 Wall Street, New York.

The CHAIRMAN. We welcome you here. We are very pleased to have you with us. At any time during the proceedings we will be

glad to have you make any statement or any suggestion as to any questions you may wish to ask.

Mr. BECKER. Thank you. I wonder if I may be permitted now just to say briefly two things that I would like to call your attention to.

The CHAIRMAN. You are welcome to go ahead, sir.

Mr. BECKER. First, I have something that I regard as rather serious.

On June 7 there appeared in the Cleveland press a news story with a Washington date line, and I would like to show you the paper. It contains information obviously taken from Mr. Haas' income-tax returns, and the news writer says that he got the information from the staff of the committee. I consider this a very serious matter. It is a violation of at least two Federal statutes, and more particularly a violation of the President's proclamation and the Treasury's decision thereon, which had to do with the opening of income-tax returns to the inspection of your committee.

The President's proclamation and the Treasury decision made on it so that it is confidential. That confidence, I believe, has been violated, and I earnestly request your committee to make an investigation as to how this information became public.

It happens to be a criminal offense to publish this information.

The CHAIRMAN. Mr. Becker, in response to your remarks, I may say that the committee never gave out or authorized the giving of any such evidence or information to the public press. The committee would not do such a thing, and would not countenance the doing of such a thing, but would strongly disapprove of such action.

Mr. BECKER. That is what I thought.

The CHAIRMAN. And the committee will undertake to find out about it.

Mr. BECKER. I earnestly request that that be done.

Now, there is one other thing that I would like to mention. I feel you are entitled to this explanation, and to know about this. There has been talk in the papers and elsewhere about Mr. Haas evading a subpoena. I would like to clear that matter up, if I may.

The CHAIRMAN. Don't you think that that may be cleared up during the interrogation?

Mr. BECKER. Well, I don't know if you are going to question him on that matter.

Mr. NELLIS. Yes; he will be questioned on that matter.

Mr. BECKER. All right.

### **TESTIMONY OF SAMUEL T. HAAS, CLEVELAND, OHIO, ACCOMPANIED BY SAMUEL BECKER, ATTORNEY, NEW YORK, N. Y.**

The CHAIRMAN. Mr. Haas, will you state your name for the record, please.

Mr. HAAS. Samuel T. Haas.

The CHAIRMAN. What is your business or profession?

Mr. HAAS. I am an attorney at law.

The CHAIRMAN. And your residence?

Mr. HAAS. 17600 Parkland Drive, Cleveland, Ohio.

The CHAIRMAN. For what period of time have you been a member

of the bar?

Mr. HAAS. Thirty-seven years.

The CHAIRMAN. And you have practiced—

Mr. HAAS. Thirty-seven years.

The CHAIRMAN (continuing). Where?

Mr. HAAS. Cleveland.

The CHAIRMAN. Thank you.

Mr. Nellis, you may proceed.

Mr. NELLIS. Thank you.

Just for the record, what does the "T" stand for?

Mr. HAAS. Tilden.

Mr. NELLIS. What is your office address?

Mr. HAAS. 540 Leader Building.

Mr. NELLIS. How long have you held offices or occupied offices in that building?

Mr. HAAS. Since 1921.

Mr. NELLIS. In a discussion with your attorney, Mr. Becker, some 2 weeks ago, I was requested to provide some information with respect to the line of questioning we were going to conduct on some matters where you might have an opportunity to refresh your memory by looking at your records, and I obtained Mr. Moser's consent for that disclosure, so at this time I would like to ask you to provide us for the years 1947, 1948, 1949, and 1950 a list of clients who have paid you the sum of \$5,000 or more during that period.

Mr. BECKER. I think I have that all prepared.

Mr. NELLIS. Fine! And while you are at that, Mr. Becker, do you remember we discussed the documents concerning the deal by which Mr. Haas and various others got into the Detroit Steel Co. in 1944?

Mr. BECKER. You did not ask me for any documents on that, Mr. Nellis.

Mr. NELLIS. You have no documents on that here?

Mr. BECKER. No. You did not ask me for them. I have the notation right here.

Mr. NELLIS. But are you prepared to discuss that?

Mr. BECKER. Yes, sir. Now, these are the notes that I made and prepared.

Mr. NELLIS. But in any event you are prepared to discuss it?

Mr. BECKER. Yes, we are.

Mr. NELLIS. And your memory has been refreshed on them, Mr. Haas?

Mr. HAAS. Yes, sir.

Mr. NELLIS. And that goes for Thistledown, River Downs, and Detroit Fair Grounds, and the administration of the estate of Mr. Strong?

Mr. HAAS. Yes.

Mr. NELLIS. And also with respect to the Modern Music Co. at Colorado Springs?

Mr. HAAS. Yes, sir.

Mr. NELLIS. And the Phoenix Century Music Co.?

Mr. HAAS. That is right.

Mr. NELLIS. And your real-estate holdings in Florida, Cleveland, and elsewhere?

Mr. HAAS. Yes, sir.

Mr. NELLIS. All right.

Mr. BECKER. Excuse me one second. I am just looking for the list of clients.

Mr. NELLIS. While you are getting that I will proceed with the interrogation.

Mr. HAAS, are you a native of Cleveland, Ohio?

Mr. HAAS. I am, sir.

Mr. NELLIS. When did you become a member of the bar, what year?

Mr. HAAS. 1914.

Mr. NELLIS. Subsequent to that time, did you have any difficulties with the law?

Mr. HAAS. Yes; I did.

Mr. NELLIS. Would you like to explain that?

Mr. HAAS. Yes. I was indicted for arson in 1919.

Mr. NELLIS. Yes.

Mr. HAAS. And I was convicted in the common police court. The supreme court reversed the decision of the lower court, without a dissenting opinion, and after that I was brought up for disbarment, and on the same testimony that I was convicted for, the case was dismissed against me for disbarment proceedings, involving moral turpitude.

Mr. NELLIS. Was there a prior indictment to 1919?

Mr. HAAS. Yes, 1916, but it was dismissed.

Mr. NELLIS. That indictment was dismissed, was it not?

Mr. HAAS. Yes.

Mr. NELLIS. Actually the Ohio Supreme Court remanded it for a new trial?

Mr. HAAS. There was a nolle.

Mr. NELLIS. There was a nolle entered after the remanding of the case by the Ohio Supreme Court?

Mr. HAAS. Yes, sir.

The CHAIRMAN. Can I get this straight? Was the nolle in the 1916 case?

Mr. HAAS. No, the court made a decision and dismissed that case.

The CHAIRMAN. I see. What was the judgment in the 1919 case, as to sentence originally?

Mr. HAAS. Well, that is very vague, Senator, very vague.

Mr. NELLIS. May I ask this question, Senator?

The CHAIRMAN. Yes.

Mr. NELLIS. Wasn't the sentence 1 to 20 years?

Mr. HAAS. Yes.

The CHAIRMAN. Go ahead.

Mr. BECKER. Do you want that list now?

Mr. NELLIS. Yes. May we have it, please?

Mr. BECKER. I do have some other material there that I would not want to part with. Do you want me to read this off?

Mr. NELLIS. No. May I have that, please?

Mr. BECKER. Yes, but I do have some other material on here, and I will tear that part off.

(The document is as follows:)

*Fees over \$5,000*

1947:		1949:	
Empire Service Co-----	\$7, 800	Empire Service Co-----	\$7, 800
B. E. Rand-----	14, 000	Jacobs Bros -----	7, 500
Jacobs Bros -----	12, 000		
		Total-----	15, 300
Total-----	33, 800		
1948:		1950: Jacobs Bros-----	10, 000
Empire Service Co-----	7, 800		
B. E. Rand-----	13, 750		
Jacobs Bros -----	11, 500		
Total-----	33, 050		

Real estate.

Mr. NELLIS. Thank you, sir.

May I have the last question read?

(The record was read by the reporter.)

Mr. NELLIS. That sentence was from 1 to 20 years?

Mr. HAAS. It was, sir.

Mr. NELLIS. And that sentence was reversed, and it was remanded for a new trial?

Mr. HAAS. That is right, sir.

Mr. NELLIS. Has there been any other trouble with the law since then?

Mr. HAAS. No, sir.

Mr. NELLIS. Have you ever since that time been brought before the bar association on grievance charges?

Mr. HAAS. No, sir.

Mr. NELLIS. Is it not a fact that sometime in 1932 you filed a petition in bankruptcy?

Mr. HAAS. That is right, sir.

Mr. NELLIS. And at that time you listed assets of \$100 and law books?

Mr. HAAS. That is vague. I would not be sure of that.

Mr. NELLIS. And liabilities far in excess of that amount?

Mr. HAAS. I wouldn't say far in excess of that.

Mr. NELLIS. How much would it be?

Mr. HAAS. My recollection is that it was \$3,000.

Mr. NELLIS. That was sometime in 1932?

Mr. HAAS. In 1932?

Mr. NELLIS. Now, in 1934, shortly after your declaration of bankruptcy you appeared as counsel for the Lubeck Brewery or distributing company, did you not?

Mr. HAAS. No, sir.

Mr. NELLIS. You did not?

Mr. HAAS. No, sir.

Mr. NELLIS. What are the facts?

Mr. HAAS. I never represented the Lubeck Brewery.

Mr. NELLIS. Did you ever represent Al Polizzi?

Mr. HAAS. No, sir.

Mr. NELLIS. Do you know Al Polizzi?

Mr. HAAS. Very well.

Mr. NELLIS. How well do you know him?

Mr. HAAS. I have known him on and off for 25 years, 15 or 20 years, I could not be certain about that, but for a long period of time.

Mr. NELLIS. Do you recall how you met him?

Mr. HAAS. No.

Mr. NELLIS. What was the nature of your association with him, Mr. Haas?

Mr. HAAS. Casual, just like I know many, many people in Cleveland.

Mr. NELLIS. You never had dinner at his house?

Mr. HAAS. Yes, on one occasion I did.

Mr. NELLIS. But you say you did not represent him in any respect?

Mr. HAAS. No, sir.

Mr. NELLIS. Throughout the years you have known him?

Mr. HAAS. No, sir.

Mr. NELLIS. What about Thomas J. McGinty, how long have you known him?

Mr. HAAS. Well, I would say 35 years.

Mr. NELLIS. Under what circumstances did you meet him, do you recall that?

Mr. HAAS. Yes, I was the attorney for the circulation department of the Cleveland Plain Dealer and he was the circulator for the circulation department of the Cleveland Plain Dealer.

Mr. NELLIS. Did you meet Mr. McBride about that time, too?

Mr. HAAS. No, I met Mr. McBride when he first came to Cleveland as a circulator on the Cleveland News. That was an opposition paper.

Mr. NELLIS. Yes, I know. You have had some business dealings with Mr. McGinty, sir, have you not?

Mr. HAAS. I have not, sir.

Mr. NELLIS. Have you ever had any real estate dealings with him?

Mr. HAAS. Yes; not with him, not directly with him, no, sir.

Mr. NELLIS. Well, will you explain that?

Mr. HAAS. Yes. I had a call from Mr. Strong sometime in 1944, I imagine, I am not quite certain of the date, but I would say that that was about the date, saying that Mr. McGinty had come to him saying that he, Mr. McGinty, had an opportunity to acquire some property in Florida, and he did not have enough money to handle the deal.

Mr. Strong said that he would like to join in it, and he asked me if I would join with him and take one-third of the property that Mr. McGinty was able to acquire.

It was a piece of property in common——

Mr. NELLIS. In Florida?

Mr. HAAS. Yes, sir.

Mr. NELLIS. Do you remember where?

Mr. HAAS. Yes, on Collins Avenue. That is about all I can tell you.

Mr. NELLIS. And that was the extent of your business dealings with Mr. McGinty?

Mr. HAAS. That is right, sir.

Mr. NELLIS. What is Mr. McGinty's business, Mr. Haas?

Mr. HAAS. I don't know.

Mr. NELLIS. Are you aware of the fact that he is known as a gambler?

Mr. HAAS. I am, sir.

Mr. NELLIS. And do you know that he is a partner in the Desert Inn at Las Vegas?

Mr. HAAS. I have read that in the newspapers.

Mr. NELLIS. Have you read his testimony that he gave at Cleveland, Ohio?

Mr. HAAS. I have.

Mr. NELLIS. Then you are aware of his background and business activities?

Mr. HAAS. To that extent, that I read it.

Mr. NELLIS. Now, have you had any other dealings with Mr. McGinty, whatsoever?

Mr. HAAS. None whatsoever.

Mr. NELLIS. Have you had any dealings with Mr. McBride?

Mr. HAAS. None whatsoever.

Mr. NELLIS. Have you had any dealings with Mr. Morris Wexler?

Mr. HAAS. I represent him in the Empire News.

Mr. NELLIS. What is the business of the Empire News?

Mr. HAAS. Disseminating news service.

Mr. NELLIS. What kind of news service?

Mr. HAAS. Racing information.

Mr. NELLIS. To whom?

Mr. HAAS. That I don't know.

Mr. NELLIS. Well, you represent Mr. Wexler, you say.

Mr. HAAS. I do.

Mr. NELLIS. In that business?

Mr. HAAS. Not in the business. I am his attorney.

Mr. NELLIS. Well, are you his personal attorney or an attorney for the service?

Mr. HAAS. I am attorney for the news service.

Mr. NELLIS. And you profess ignorance of the type of customer that Empire service company has?

Mr. HAAS. I have not the slightest idea who his customers are.

Mr. NELLIS. Have you heard who his customers are?

Mr. HAAS. By general rumor and newspaper reports.

Mr. NELLIS. You don't want to be coy, now, do you, Mr. Haas?

Mr. HAAS. I am not trying to be coy. I am trying to tell you truthfully.

Mr. NELLIS. You know the man you represent operates a service that goes to bookmakers; don't you?

Mr. HAAS. That is the general report, but of my own personal knowledge I do not know that.

Mr. NELLIS. How well do you know Morris Kleinman?

Mr. HAAS. I have known Morris Kleinman, I would say, since 1925.

Mr. NELLIS. What is his business, Mr. Haas?

Mr. HAAS. His business, he is known as a gambler.

Mr. NELLIS. Have you had any business dealings with him?

Mr. HAAS. Business dealings?

Mr. NELLIS. Yes.

Mr. HAAS. No, sir.

Mr. NELLIS. Are you hedging with us, sir?

Mr. HAAS. No.

Mr. NELLIS. Have you had any real-estate business with him?

Mr. HAAS. No; nothing whatsoever.

Mr. MOSER. Is it what you mean that you have represented him as attorney and client?

Mr. HAAS. No; I have never represented him.

Mr. NELLIS. You have never represented Kleinman?

Mr. HAAS. No, sir.

Mr. NELLIS. And you have had no business dealings with him?

Mr. HAAS. No, sir.

Mr. NELLIS. Is that right?

Mr. HAAS. Yes.

Mr. NELLIS. Do you know the property at 2515 Kemper?

Mr. HAAS. I don't know the exact number. I do own a piece of property on Kemper, but as to the exact number, I don't know. It could be 2515.

Mr. NELLIS. Well, you own a piece of property at 2525 Kemper.

Mr. HAAS. That is right. I didn't know whether you referred to the piece I own or the piece that he owns.

Mr. NELLIS. He owns the piece at 2515.

Mr. HAAS. That is what I am told.

Mr. NELLIS. Who is Mr. A. E. Gordon?

Mr. HAAS. Mr. A. E. Gordon is a lawyer in my office.

Mr. NELLIS. Did you know that he gave the quitclaim deed to Morris Kleinman and Louis Rothkopf at that address?

Mr. HAAS. No; I do not.

Mr. NELLIS. He was the trustee in August of 1947.

Mr. HAAS. I do not know that.

Mr. NELLIS. For an amount of \$615,000, after which he quitclaimed the property to Morris Kleinman and Louis Rothkopf.

Mr. HAAS. I do not know that, sir.

Mr. NELLIS. But he is an associate of yours, isn't he?

Mr. HAAS. Well, he is an office associate.

Mr. NELLIS. How many years has he been associated with you?

Mr. HAAS. Oh, I would say about 18 years.

Mr. NELLIS. Is he related to George Gordon?

Mr. HAAS. No, sir.

Mr. NELLIS. Do you know George Gordon?

Mr. HAAS. I have met him.

Mr. NELLIS. He is a gambler, too, isn't he?

Mr. HAAS. That is his reputation.

Mr. NELLIS. Well, now, let's see, how long have you known Louis Rothkopf?

Mr. HAAS. Oh, I would say about 15 years.

Mr. NELLIS. And he is in the same business as Kleinman?

Mr. HAAS. That is his reputation; yes, sir.

Mr. NELLIS. Is that right?

Mr. HAAS. That is right.

Mr. NELLIS. He has had very extensive operations throughout the United States?

Mr. HAAS. That is what I have read, sir.

Mr. NELLIS. Yes. Now, do you know someone by the name of Dalitz? You may have known him by the name of Davis.

Mr. HAAS. I know him as Dalitz?

Mr. NELLIS. He is also in the gambling business, is he not?

Mr. HAAS. That is right, sir.



Mr. NELLIS. How long have you known him?

Mr. HAAS. Oh, I would say I have known him around 18 or 19 years.

Mr. NELLIS. Mr. Haas, all of these people whom I have mentioned, with the exception of Samuel Tucker, whom I presume you know also—

Mr. HAAS. I do, sir.

Mr. NELLIS (continuing). Were in the Detroit Steel deal with you, were they not?

Mr. HAAS. They were, sir.

Mr. NELLIS. How did that come about? How did that happen that you obtained the common stock of that company?

Mr. HAAS. By purchase.

Mr. NELLIS. How did it all come about?

Mr. HAAS. Mr. Dalitz called me up one day, I don't recall the exact year, but it was in the forties, and he asked me if he could come over and see me. He had someone with him that he wanted to bring with him. I told him that he was welcome to come in and see me.

He brought in a man whom he introduced to me by the name of Zivian. Mr. Zivian explained to me that he was then acquiring the stock of the Reliance Steel Co., and that he intended to merge it with the Detroit Steel Corp., and that he needed \$200,000 to complete his transaction.

He had, oh, I would not know, around three or four, let's say five thousand shares of the Reliance Steel which he had acquired, but he had to pick up \$200,000 more in order to complete the deal so that he could merge it.

Mr. NELLIS. From Sol Friedman?

Mr. HAAS. From Sol Friedman.

Mr. NELLIS. Yes. Go ahead.

Mr. HAAS. And he said that he wanted to make a loan of \$200,000, but the stock, not being a listed stock, it was quite difficult for him to borrow \$200,000 on the stock he had already acquired by purchase, I imagine, though he did not say that.

He asked me if I could be helpful. I said, "What is your collateral?" And he told me this. I said: "You will never be able to borrow \$200,000 on that type of collateral." He said, "I am quite aware of that." I said: "What are you here for?" He said, "I have told Mr. Dalitz that if he would purchase or cause someone to purchase for me \$100,000 worth of Detroit Steel stock, and put the money up, as a certificate of deposit, to borrow \$200,000 against the certificate of deposit, plus the Reliance Steel Co. stock."

Mr. NELLIS. Did you borrow that from the Bank of Ohio?

Mr. HAAS. No, sir.

Mr. NELLIS. You sent him over to the Bank of Ohio?

Mr. HAAS. Yes, sir.

Mr. NELLIS. Who did they see over there, do you remember?

Mr. HAAS. I imagine they saw Mr. Strong. I was not there. That is what I imagine. Mr. Strong said that their bank was not able to loan \$200,000, but he thought that with the certificate of deposit, plus the stock, that he could raise the loan at the Industrial Bank of New York for that amount of money, inasmuch as it was a short-term loan, 3 or 4 months, I think, and for the \$100,000 I put up \$33,000, and Dalitz put up \$66,000, and when the loan was paid the stock of the Detroit Steel Co. was turned over to me for my \$33,000, which was

333 and a fraction shares, and I had taken it for granted, I was not shown that, but Dalitz got his 660 shares.

Mr. NELLIS. What did you do with your shares?

Mr. HAAS. Why, I kept them.

Mr. NELLIS. You kept them?

Mr. HAAS. Yes.

Mr. NELLIS. And you have them today?

Mr. HAAS. No; I sold them.

Mr. NELLIS. Who did you sell them to?

Mr. HAAS. Oh, I don't know the name of the company, Fenner, Beane, Price, Miller.

Mr. NELLIS. You sold them through a regular broker?

Mr. HAAS. Yes, sir.

Mr. BECKER. I have the dates on that.

Mr. NELLIS. Very well. Will you put them in the record?

Mr. BECKER. The stock was sold in the open market through Merrill Lynch, Fenner & Beane between March 8 and March 28, 1950.

Mr. NELLIS. 1950?

Mr. BECKER. Yes.

Mr. NELLIS. All right. Now, Mr. Dalitz put up \$66,000, right?

Mr. HAAS. I was not there, but I take it for granted he did.

Mr. NELLIS. Now, obviously, since you were the person who was approached by Dalitz and Zivian, you must have known how he distributed his stock.

Mr. HAAS. No; I did not know at that time.

Mr. NELLIS. How is that possible?

Mr. HAAS. I had no interest in Mr. Dalitz' stock.

Mr. NELLIS. How did Mr. Zivian come to your office?

Mr. HAAS. Mr. Dalitz brought him.

Mr. NELLIS. And you were going to provide the necessary advice by which Mr. Zivian could swing this deal?

Mr. HAAS. No; I just showed him the channel, through whom I thought he might be able to borrow the money.

Mr. NELLIS. Well, we won't quibble about words. But Dalitz put up \$66,000, and you know that he distributed the stock he received; don't you?

Mr. HAAS. No; I do not.

Mr. NELLIS. You never found out who got the stock?

Mr. HAAS. I found out, but at that time I did not know. I think Dalitz got it in his name, and it was separated later.

Mr. NELLIS. How was it separated.

Mr. HAAS. That I do not know.

Mr. NELLIS. Who was it separated to?

Mr. HAAS. Tucker, Kleinman, Rothkopf, and Dalitz.

Mr. NELLIS. Yes; the same old syndicate; is that right?

Mr. HAAS. I don't know about the same old syndicate.

Mr. NELLIS. The same group that had been doing business for many years?

Mr. HAAS. That I do not know.

Mr. NELLIS. And the total result of this whole transaction was that Samuel Haas, Dalitz, Kleinman, Rothkopf, and Tucker accumulated the stock?

Mr. HAAS. Samuel T. Haas accumulated his stock, and they purchased their stock; yes, sir.

Mr. NELLIS. Was it a lucrative investment, Mr. Haas?

Mr. HAAS. Yes, sir; very much so.

Mr. NELLIS. Now, Mr. Haas, directing your attention back to the summer of 1932, when you went into bankruptcy—

Mr. HAAS. Yes, sir.

Mr. NELLIS (continuing). Would you tell us briefly how shortly thereafter you began to accumulate capital gain to get back on your feet.

Mr. HAAS. Well, I could not tell you that right offhand; no.

Mr. NELLIS. Obviously it was a struggle after 1932, for a short period, was it not?

Mr. HAAS. Yes. It was a panic, and everything was a struggle.

Mr. NELLIS. And shortly thereafter you began to represent the persons in police court, is that right?

Mr. HAAS. Not shortly after that. I have been doing that since 1914, sir.

Mr. NELLIS. Since 1914?

Mr. HAAS. Yes, sir.

Mr. NELLIS. And I take it you would explain it that is how you happened to meet so many people prominent in police dossiers, is that right?

Mr. HAAS. I would not say so. I met plenty of other people, not through police courts at all.

Mr. NELLIS. How did you become Wexler's attorney for the race wire service?

Mr. HAAS. I first represented William Swartz, who owned the service before Wexler and Miller owned it.

Mr. NELLIS. This is the same William Swartz who killed somebody behind the Hollenden Hotel and went to jail?

Mr. HAAS. That is right.

Mr. NELLIS. And also the same William Swartz who was owner of the Chesapeake Operating Co. that ran the club on the border between West Virginia and Ohio, is that right?

Mr. HAAS. That is right.

Mr. NELLIS. You represented him?

Mr. HAAS. In 1924 a policeman was stationed in front of his office, where he was running a news service similar to Wexler, and he came to me and asked me if I could have him removed. I said that I would get an injunction against it.

We filed an injunction in the common police court, and that is how I came to legally represent Swartz.

Mr. NELLIS. And have you continued in your business relationship with Mr. Swartz?

Mr. HAAS. No, no; that is the first and only case I ever had with him.

Mr. NELLIS. Have you stayed in contact with him in any way?

Mr. HAAS. No, sir.

Mr. NELLIS. Are you sure about that?

Mr. HAAS. I am sure about it.

Mr. NELLIS. Suppose I were to tell you that we have a list of some telephone calls you made to him in 1950, what would those be about?

Mr. HAAS. For another client.

Mr. NELLIS. For what client?

Mr. HAAS. James Patton.

Mr. NELLIS. "Shimmy" Patton?

Mr. HAAS. I said James Patton.

Mr. NELLIS. Are you going to contend that he is not also known as "Shimmy" Patton?

Mr. HAAS. I am not contending anything.

Mr. NELLIS. But do you know him as "Shimmy" Patton?

Mr. HAAS. Yes; but—

The CHAIRMAN. Well, does he have a nickname?

Mr. HAAS. Yes.

Mr. NELLIS. Let's not quibble. We are getting along splendidly, I think we are doing well. Let's not be technical.

Mr. HAAS. I am not being technical.

Mr. NELLIS. What is Mr. Patton's business?

Mr. HAAS. At the present time I don't think that he has any.

Mr. NELLIS. What business was he in formerly?

Mr. HAAS. He was in the gambling business.

Mr. NELLIS. Do you know 4601 Harvard Street in Cleveland?

Mr. HAAS. Not offhand; no, sir.

Mr. NELLIS. Did you ever hear of that place referred to as the Harvard Club?

Mr. HAAS. I have heard of the Harvard Club frequently.

Mr. NELLIS. It was headquarters for the slot distribution outfit, was it not?

Mr. HAAS. No.

Mr. NELLIS. It was not?

Mr. HAAS. No.

Mr. NELLIS. Who is Morris C. Haas?

Mr. HAAS. My brother.

Mr. NELLIS. Was he at any time connected with the Buckeye Catering Co.?

Mr. HAAS. Yes, sir.

Mr. NELLIS. What was the business of the Buckeye Catering Co.?

Mr. HAAS. Vending machines.

Mr. NELLIS. What kind of vending machines?

Mr. HAAS. Mint machines, all kinds of vending machines.

Mr. NELLIS. Slot machines?

Mr. HAAS. That is reputedly slot machines.

Mr. NELLIS. Of course they are slot machines, and you know that, don't you?

Mr. HAAS. No; I never was there.

Mr. NELLIS. It is a matter of record, and you know it, don't you?

Mr. HAAS. Not as a matter of record.

Mr. NELLIS. Who were his partners?

Mr. HAAS. He had no partners. He was an employee.

Mr. BECKER. Who are you talking about?

Mr. NELLIS. Morris C. Haas.

Mr. HAAS. He was an employee.

Mr. NELLIS. Did you know Al Polizzi was one of his employees?

Mr. HAAS. I was told that later. He was not at that time.

Mr. NELLIS. Mr. Polizzi testified under oath to that effect.

Mr. HAAS. Not at the time my brother went in there, he was not an associate or a partner.

Mr. NELLIS. But there did come a time when Polizzi was a partner at a time when your brother was employed there?

Mr. HAAS. That is right.

Mr. NELLIS. Did you know Nate Weisenberg?

Mr. HAAS. Yes, sir. He is the one through whom I secured my brother a job there.

Mr. NELLIS. Is that right?

Mr. HAAS. That is right.

Mr. NELLIS. He was known as the slots king of Ohio, is that right?

Mr. HAAS. Not of Ohio.

Mr. NELLIS. Well, perhaps of the United States?

Mr. HAAS. Maybe probably in Cleveland.

Mr. NELLIS. Mr. Weisenberg met a very untimely and messy death, did he not?

Mr. HAAS. That is right.

Mr. NELLIS. In 1945?

Mr. HAAS. I don't recall the year.

Mr. NELLIS. But he was found in a ditch, is that right?

Mr. HAAS. No, sir.

Mr. NELLIS. What were the circumstances?

Mr. HAAS. I read about it in the newspapers. I was not in Cleveland at that time.

Mr. NELLIS. Do you have any idea which one of his former associates might have done him in?

Mr. HAAS. No, sir.

Mr. NELLIS. You have no idea?

Mr. HAAS. Of course not.

Mr. NELLIS. You knew him very well?

Mr. HAAS. Yes, intimately.

Mr. NELLIS. Do you know Jerry Milano?

Mr. HAAS. No, sir.

Mr. NELLIS. You never met him?

Mr. HAAS. Not to know him by that name.

Mr. NELLIS. By what name might you have known him?

Mr. HAAS. I don't know.

Mr. NELLIS. You know that he is the present operator and owner of Buckeye Catering, don't you?

Mr. HAAS. I do not know that.

Mr. NELLIS. Who were the other partners in Buckeye?

Mr. HAAS. I don't know, only of Al Polizzi and Weisenberg.

Mr. NELLIS. Polizzi and Weisenberg?

Mr. HAAS. Yes.

Mr. NELLIS. Do you know James Licavoli?

Mr. HAAS. No, sir.

Mr. NELLIS. Do you know Vincent "Doc" Mangine?

Mr. HAAS. No, sir.

Mr. NELLIS. You never met him?

Mr. HAAS. Not to my knowledge, sir.

Mr. NELLIS. Now, Mr. Haas, you had an interest in a company in Colorado Springs, did you not?

Mr. HAAS. Yes, sir.

Mr. NELLIS. Did you not?

Mr. HAAS. Yes, sir.

Mr. NELLIS. What was the name of that?

Mr. HAAS. The Modern Music Co.

Mr. NELLIS. What was the business of that company?

Mr. HAAS. Music boxes.

Mr. NELLIS. What else besides music boxes?

Mr. HAAS. Nothing.

Mr. NELLIS. Did you ever see an inventory at the time that that business was liquidated?

Mr. HAAS. No; I don't think I did.

Mr. NELLIS. Would it surprise you to find——

Mr. HAAS. When it was liquidated, did you say?

Mr. NELLIS. Yes.

Mr. HAAS. No; I am sure I did not.

Mr. NELLIS. The business is not going on, is it?

Mr. HAAS. No; it went through bankruptcy, as I recall it.

Mr. NELLIS. That is what I meant.

Mr. HAAS. I did not see it.

Mr. NELLIS. You did not see the final inventory?

Mr. HAAS. Not to my recollection.

Mr. NELLIS. Would it surprise you to know that approximately 35 percent of the final inventory was slot machines?

Mr. HAAS. Well, it would not only surprise me, but I would not believe it, sir.

Mr. NELLIS. You would not?

Mr. HAAS. No, sir.

Mr. NELLIS. Did you have an interest in a company down in Arizona?

Mr. HAAS. No, sir.

Mr. NELLIS. In Phoenix?

Mr. HAAS. No, sir.

Mr. NELLIS. Your brother's company?

Mr. HAAS. No, sir.

Mr. NELLIS. Your brother has a company down there?

Mr. HAAS. He had a company, which he liquidated in 1946, a music-box company.

Mr. NELLIS. That was also a music-box business?

Mr. HAAS. Yes, sir.

Mr. NELLIS. And Giesey and Sauer were partners?

Mr. HAAS. Stockholders or partners.

Mr. NELLIS. I think it was a partnership.

Mr. HAAS. It may have been, sir.

Mr. NELLIS. Who is in there?

Mr. HAAS. Mr. Heims, Mr. McGinty.

Mr. NELLIS. And Mr. McGinty's son-in-law and daughter?

Mr. HAAS. I would not know, because I was not familiar with that.

Mr. NELLIS. Did you engineer the partnership?

Mr. HAAS. No, sir.

Mr. NELLIS. How did it happen so many friends of yours from Cleveland got into a business in Phoenix with your brother?

Mr. HAAS. My brother went down there to acquire a business in Denver.

Mr. NELLIS. Yes.

Mr. HAAS. And while he was there he met someone who told him there was a business that could be acquired in Phoenix. He came back to Cleveland and talked to certain people and got them to invest in that business.

Mr. NELLIS. And your idea is that your brother engineered the partnership?

Mr. HAAS. I had nothing to do with engineering anything, partners or financing of that business, whatsoever.

Mr. NELLIS. Were you in the business at all?

Mr. HAAS. No, sir.

Mr. NELLIS. You had no interest whatsoever?

Mr. HAAS. No, sir.

Mr. NELLIS. How about the business in Colorado Springs?

Mr. HAAS. In Colorado Springs, yes.

Mr. NELLIS. How did you get into that?

Mr. HAAS. Through Mr. Weisenberg.

Mr. NELLIS. Through Nate Weisenberg?

Mr. HAAS. That is right.

Mr. NELLIS. Was his son Francis in that business also?

Mr. HAAS. He may have been; I don't know.

Mr. NELLIS. Now, Mr. Haas, before we get onto the other subject, or rather, to the other substantive portions of the testimony which we hope you will give, I would like an explanation of your disappearance from Cleveland on or about the 12th of December.

Mr. HAAS. I object to the word "disappearance." There was no such thing as any disappearance.

Mr. NELLIS. You took a regularly scheduled trip; is that your contention.

Mr. HAAS. That is not only my contention, but that is the fact.

Mr. NELLIS. When did it come to your knowledge that the committee was seeking your presence in Cleveland?

Mr. HAAS. The latter part of January.

Mr. NELLIS. You mean after the hearings were over?

Mr. HAAS. Yes, sir.

Mr. NELLIS. How do you explain the fact that we were unable to find you, either at your office or at home?

Mr. HAAS. Because I was not there.

Mr. NELLIS. All right. Now, did you give instructions to the people at your office to advise no one as to where you might be reached?

Mr. HAAS. Of course not.

Mr. NELLIS. You did not?

Mr. HAAS. No, sir.

Mr. NELLIS. What is your secretary's name?

Mr. HAAS. Kathleen Shannon.

Mr. NELLIS. Would it surprise you to know that Miss Shannon was visited three times a day for a period of at least 3 weeks with a request that we be furnished your address, and that we were unable to locate you in that manner?

Mr. HAAS. I don't believe that, sir.

Mr. NELLIS. Well, I state that as a fact. I realize I am not under oath——

Mr. HAAS. Well, I don't know it.

Mr. NELLIS. Would it surprise you to know that?

Mr. HAAS. It certainly would.

Mr. BECKER. Are you stating this of your own personal knowledge?

Mr. NELLIS. Yes.

Mr. BECKER. You are testifying?

Mr. NELLIS. I am not testifying.

Mr. BECKER. Well, let us get this straight.

Mr. NELLIS. Let me say that I was in charge of that investigation from December 12 until approximately——

Mr. HAAS. No, not December 12.

Mr. NELLIS. Just a moment.

Mr. BECKER. Yes, let him finish.

Mr. NELLIS. I was in charge of that investigation from December 12 until approximately the 14th of January, and through the good offices of the police department of Cleveland we had a squad visit Mr. Haas' office asking for knowledge as to his whereabouts, and we were informed that Mr. Haas had left on his vacation, and that he had left no forwarding address and could not be reached.

Now, you may make any statement you care to. Let Mr. Haas make any statement he cares to.

Mr. BECKER. Well, what I object to, if I may, I object to counsel saying that unless he is prepared to state it of his own personal knowledge that people visited there three times a day.

The CHAIRMAN. Counsel, I think the question is very simple, and one that is easily answered by such an intelligent person as the witness.

Mr. Nellis states what in his, Mr. Nellis' knowledge, are the facts, concerning the efforts made.

Now Mr. Haas is at perfect liberty to explain or make any statement he wishes to bearing on that, whether those facts are accurate or inaccurate, and what explanation there is for his not being present.

Mr. BECKER. All I am saying, Senator, is this, that I have conducted investigations myself, and I know something about this business, and it is a serious question when counsel makes statements and he is not under oath, he is not accountable for what he says, except as an advocate, and unless he is prepared to say that they did visit his office three times a day from his own personal knowledge, I don't think that statement should be made.

Mr. NELLIS. I think that is very strange, coming from an attorney.

Mr. BECKER. He is prepared to meet testimony, but he is not prepared to meet counsel's statement. It is not fair to the witness.

The CHAIRMAN. This matter is one which you indicated at the outset that you desired Mr. Haas to explain.

Mr. BECKER. Right.

The CHAIRMAN. Then how about Mr. Haas going ahead and giving us his version of the matter.

Mr. HAAS. I left Cleveland on the 12th day of December, and I went to New York City. I stayed at the Savoy-Plaza Hotel. I stayed there 2 days, and then I went to Miami and I stayed at the McAllister Hotel, and I left there on the 20th.

I purchased my tickets on December 2 from the Pan-American at Cleveland, from Miami to Montego Bay.

Mr. NELLIS. Where is Montego Bay?

Mr. HAAS. Jamaica, British West Indies.



I had arranged in October of 1950, I sent out two letters in response to advertisements I had seen in a magazine of homes to be rented for the season.

One of them was in the Virgin Islands, and one of them was at Montego Bay.

The one in the Virgin Islands, unfortunately, was not what I wanted, I think it was on St. Thomas Island, and we didn't like it. I was going with a friend, Mr. Goodman and his wife, and the one I answered the ad to in Montego Bay, the owner lived in London, and it took around 6 or 7 weeks before an answer was had from him.

In the meantime, I had gotten in touch with a man whom I knew or had met in Montego Bay—I had been there many times—a man by the name of Dennis Cook, who was then in the brokerage business, the renting of houses, and renting automobiles and things of a travel nature, and he secured a house for me in Montego Bay.

I will have to refresh my recollection from this document. On December 2, I have his receipt, where I sent out a check for the rental of that house, sir.

Everyone that I knew personally in Cleveland knew where I was; there was no attempt at secrecy, and there were many telephone and telegraph calls from me to my office, and there was plenty of mail sent to me from my office, and in return mail sent to my office from me.

There was no attempt at any time, and I doubt very much that Miss Shannon would say there was no instruction left to say where I was, or rather, that there was an instruction left not to tell where I was.

The CHAIRMAN. How long were you there?

Mr. HAAS. In Montego Bay?

The CHAIRMAN. Yes.

Mr. HAAS. On my first trip—

The CHAIRMAN. Dating from December 12.

Mr. HAAS. It was December 20. I stayed there until the latter part of February, sir.

The CHAIRMAN. The latter part of February?

Mr. HAAS. Yes, sir.

The CHAIRMAN. You never came back to the United States until when?

Mr. HAAS. The latter part of February.

The CHAIRMAN. All right.

Mr. NELLIS. May I proceed?

The CHAIRMAN. Yes.

Mr. NELLIS. Now, do you want to tell me what happened in February?

Mr. HAAS. Yes. In Puerto Rico, I was in Puerto Rico with my friends, and I picked up the paper at the hotel there, and I saw an item there relating to the Crime Commission, where my name was mentioned as having a senatorial warrant issued for me.

The CHAIRMAN. Was that the first knowledge you had that you were wanted?

Mr. HAAS. No; I knew it in the latter part of January, because of a clipping I had received from a friend of mine, where my picture appeared in the Cleveland Press, and the statement was made by the director of public safety, and that was the first knowledge that I had that I was subpoenaed or wanted.

Mr. NELLIS. Can you fix that date, approximately?

Mr. HAAS. Well, it was after your hearing. I don't know exactly when your hearing was.

Mr. NELLIS. The hearing was from January 17 through the 19th.

Mr. HAAS. Well, I would say 3 or 4 days after that.

Mr. NELLIS. That was your first knowledge?

Mr. HAAS. That is right.

Mr. NELLIS. You received no communication from your office?

Mr. HAAS. None whatsoever.

Mr. NELLIS. And you received no forwarded mail from your home?

Mr. HAAS. My home? No, my home would send any mail to the office, and they in turn would forward it to me if they thought it was personal.

Mr. NELLIS. What did you do when you heard you were wanted?

Mr. HAAS. I communicated with Mr. Garey.

Mr. NELLIS. I am not talking about February, I am talking about the end of January.

Mr. HAAS. I did not do anything.

Mr. NELLIS. You did not do anything?

Mr. HAAS. No, sir.

Mr. NELLIS. Did you make your effort to make your whereabouts known to the Federal authorities? Did you make any effort to make your whereabouts known to the Federal authorities?

Mr. HAAS. No, sir.

Mr. NELLIS. Did you communicate with the marshal, asking him to serve you with a subpoena?

Mr. HAAS. I did not.

Mr. NELLIS. Did you have any reason for not doing it?

Mr. HAAS. I didn't have any reason for doing so, either.

Mr. NELLIS. Do you think it is proper for a member of the bar to avoid service?

Mr. HAAS. I did not avoid service.

Mr. NELLIS. Why didn't you make yourself available for service?

Mr. HAAS. Because I read the subpoena had been issued and the hearing had been held.

Mr. MOSER. But you ignored the subpoena, did you not?

Mr. HAAS. I had no subpoena.

Mr. BECKER. May I say something—

Mr. MOSER. Just let me ask some questions here.

Mr. BECKER. I am sorry.

Mr. MOSER. You knew about the fact that you were wanted, didn't you?

Mr. HAAS. Only from a statement in the newspapers.

Mr. MOSER. Yes. And you ignored the fact that you were wanted.

Mr. HAAS. I made no effort to get in touch with anyone.

Mr. MOSER. In other words, you did not feel you had any responsibility to respond to this committee, is that correct?

Mr. HAAS. I would not say it that way.

Mr. MOSER. Until you were served?

Mr. HAAS. I took it for granted, and maybe I was wrong in doing that, but the hearing being over, my presence was no longer being required.

Mr. BECKER. I just want to interject something here that I said to Mr. Moser. I said that the committee was at perfect liberty and had

perfect authority and power to serve Mr. Haas exactly where they knew he was, in Jamaica. He was there in his correct name.

The CHAIRMAN. That is not the whole point.

Mr. BECKER. I would like to have the record show that.

Mr. NELLIS. That was the end of January. Now, then, in February, what happened?

Mr. HAAS. When I read this I got in touch with Mr. Eugene Garey.

Mr. NELLIS. That is right, of New York City?

Mr. HAAS. Of New York City. I said, "I have read this in the paper, and I am dumfounded. What is it all about? Can you find out for me?" He said that he would attempt to do so.

Mr. NELLIS. Yes, sir.

Mr. HAAS. He called me back the next day and he said that he had been in contact with a Mr. Halley, who was chief counsel for this committee, and had arranged for me to be in there a week from the next Monday, whenever that was.

Mr. NELLIS. On March 5. I have the letter here.

Mr. HAAS. Not the 5th. The 5th would have been on a Sunday, I am sure. Maybe I am mistaken about it.

Mr. BECKER. No, just a minute.

Mr. NELLIS. Let me read you this letter from Garey dated February 16:

In re Samuel T. Haas.

DEAR MR. HALLEY: I communicated with Mr. Haas following my talk with you on Saturday morning last, and he advised me he will come to my office on Monday, the 5th of March next. As soon as he arrives I will call you so that you may serve him with a subpoena.

Mr. HAAS. Yes, sir. I was a little confused.

Mr. NELLIS. Well, let's fix the dates, and let's be accurate about what happened.

Mr. HAAS. I am just depending upon my recollection.

Mr. NELLIS. Yes, sir. We appreciate that.

Mr. HAAS. And then I came to New York, and I got in there on Friday at midnight. Mr. Garey came over to see me at the Savoy-Plaza Hotel, and Mr. Becker came over to see me at the Savoy-Plaza Hotel.

Mr. Becker advised me that this hearing was going to be televised commercially, the hearing in New York City. He told me that in his opinion the televising of this committee hearing for commercial purposes was illegal. So I decided to return to Jamaica, which I did.

Mr. NELLIS. Did Mr. Garey tell you that he had telephoned me?

Mr. HAAS. No, sir; he never mentioned your name, sir.

Mr. NELLIS. You returned to Jamaica, when, that same Friday night?

Mr. HAAS. No, sir. I am telling you, I came in on Friday, and I spoke to Mr. Garey on Saturday. I left Sunday morning, and on Monday morning following I left for Jamaica, back to Montego Bay.

Mr. MOSER. In other words, you had made an agreement with counsel for this committee to submit yourself to service.

Mr. HAAS. That is right.

Mr. MOSER. And you broke your agreement because you thought that after service had been legally made upon you, you could not be legally called to testify before television, is that a correct statement?

Mr. HAAS. That is right.

Mr. MOSER. In other words, you deliberately broke your agreement to submit yourself to service.

Mr. HAAS. Yes.

Mr. MOSER. On the ground that you thought you might be required to testify before television after you had received legal service?

Mr. HAAS. I considered, and I was so advised, that it was an illegal proceeding.

Mr. MOSER. How would you know that you would be called before television?

Mr. HAAS. Well, I was subpoenaed in New York, and I was told I was to appear.

Mr. MOSER. But who told you that you were going to be televised?

Mr. BECKER. I did.

Mr. HAAS. Mr. Becker.

Mr. MOSER. Mr. Becker told you. Does he decide the policy of this committee?

Mr. HAAS. No, I haven't the slightest idea in that regard.

Mr. NELLIS. You heard that the public proceedings were going to be televised, but you yourself did not know whether you would be called in executive session or public session. What assurance did you have that you would be called in any event?

Mr. HAAS. Well, certainly when they want to serve a subpoena, they do not serve it as a gesture.

Mr. MOSER. Did it state that you would be called for public session?

Mr. HAAS. I did not see it.

Mr. NELLIS. You never accepted service?

Mr. HAAS. No, sir.

Mr. MOSER. Solely on Mr. Becker's idea as to what the policy of this committee might be, you refused to carry out your agreement to submit to service?

Mr. HAAS. I refused to submit myself to commercialized television.

Mr. MOSER. Nobody asked you to submit yourself to commercialized television, did they?

Mr. HAAS. I was told that it was going to be televised.

Mr. MOSER. You were told by Mr. Becker?

Mr. HAAS. That is right. I was not under subpoena.

Mr. MOSER. Nobody had asked you to appear before television had they?

Mr. HAAS. Well, it would be tantamount to the same thing, when you want to serve a man with a subpoena, and with the hue and cry that was raised at that time—

Mr. MOSER. Wouldn't you have a right to raise that question when you appeared?

Mr. HAAS. I doubt very much if I would have much of a right before a committee. I don't have the same legal right that I have in a courtroom.

Mr. MOSER. You therefore avoided the process of the committee?

Mr. HAAS. I would not say that that was proper, but if you want to use that, it is perfectly all right with me.

Mr. MOSER. I think it is a perfect characterization of what happened.

Mr. HAAS. Then that is perfectly all right.

The CHAIRMAN. How long did you remain away?

Mr. HAAS. Until the latter part of April. I advised Mr. Becker I was returning, and he in turn advised the Federal Bureau of Investigation that I would return on a day certain at Miami on a certain flight.

The CHAIRMAN. So it is fair to state that from about December 20 until the last part of April you were outside of the country, with the exception of that brief period, those 2 days you came back?

Mr. HAAS. That is right.

The CHAIRMAN. It was not all on vacation?

Mr. HAAS. It was all on vacation, on account of my throat, I do this every year.

The CHAIRMAN. Of course, if it had not been for what you say was the information submitted to you, which caused you not to accept service, you would have been able to remain in the country?

Mr. HAAS. I would not have returned. I didn't have any intention of returning to the United States from Puerto Rico. My intention was to return to Montego Bay.

The CHAIRMAN. Go ahead.

Mr. NELLIS. Do you have any other statement in connection with your avoidance of the subpoena?

Mr. HAAS. I think not.

Mr. BECKER. Well, I have some. I mean, I know some things I can tell you of my own personal knowledge, which I do know—

The CHAIRMAN. Well, I think it would be preferable for Mr. Haas to testify.

Mr. BECKER. But these are things I did on his behalf that he cannot testify to.

The CHAIRMAN. Well, maybe at a little later time.

Mr. BECKER. Thank you.

Mr. NELLIS. Mr. Becker has handed me a list of fees received in excess of \$5,000 for 1947, 1948, 1949, and 1950.

Mr. HAAS. Yes, sir.

Mr. NELLIS. That is a list I suppose you prepared with your attorney?

Mr. HAAS. Yes.

Mr. NELLIS. You already testified that the Empire Service Co. was Wexler's race distribution outfit or outlet?

Mr. HAAS. That is right.

Mr. NELLIS. Who is B. E. Rand?

Mr. HAAS. He is an attorney, sir.

Mr. NELLIS. In your office?

Mr. HAAS. He was.

Mr. NELLIS. When did he come to your office?

Mr. HAAS. I would say about 1944 or 1945, somewhere around there, 1944 probably.

Mr. NELLIS. He was associated with you and Mr. Gordon there, is that right?

Mr. HAAS. He rented space in the same suite that I did.

Mr. NELLIS. I see. And when did he leave your office suite?

Mr. HAAS. Oh, about 2 years ago, 1949, something like that, maybe 1948, I cannot recall exactly.

Mr. NELLIS. So that from 1944 until 1948, approximately, let us say, he was associated with you?

Mr. HAAS. That is right.

Mr. NELLIS. What did he pay you \$14,000 for in 1947?

Mr. BECKER. Just one minute. Do you remember, and I agreed with you, that we were not going to ask a lawyer what he did for the money he got.

Mr. NELLIS. Well, I was not assuming that he would give me a list saying that he had received \$14,000 from another lawyer.

Mr. HAAS. Legal services.

Mr. NELLIS. Rendered to Rand?

Mr. HAAS. I did legal services in connection with a client of Rand's.

Mr. NELLIS. Of Rand?

Mr. HAAS. Yes. He brought the case to me, the same as forwarding a case to another lawyer.

Mr. NELLIS. Let me ask you in connection with 1947, were any of the persons involved Kleinman?

Mr. HAAS. No, sir.

Mr. NELLIS. How about Rothkopf?

Mr. HAAS. No, sir.

Mr. NELLIS. Tucker?

Mr. HAAS. No, sir.

Mr. NELLIS. Miller?

Mr. HAAS. No, sir.

Mr. NELLIS. Patton?

Mr. HAAS. No, sir.

Mr. NELLIS. Swartz?

Mr. HAAS. No, sir.

The CHAIRMAN. Mr. Haas, would it not be simpler to tell us who it was for?

Mr. HAAS. I think that is privileged.

The CHAIRMAN. Let us see if we cannot get your position straight.

Mr. HAAS. I will say this to the——

The CHAIRMAN. Will you let me finish, please, and then you can say what you like.

You were asked, as I understand it, to produce records which indicated the receipt by you of any fees in excess of \$5,000, and you undertook to do that, and you submitted this statement, which shows the second item is a payment of \$14,000 under the name of Rand.

Mr. HAAS. That is right, sir.

The CHAIRMAN. Actually that was not Mr. Rand. Mr. Rand was not your client?

Mr. HAAS. I took care——

The CHAIRMAN. But I say, he was not your client?

Mr. HAAS. No.

The CHAIRMAN. He was another attorney through whom you did receive fees from clients?

Mr. HAAS. Yes.

The CHAIRMAN. Why then do you undertake to report that you received in excess of \$5,000 from other than the name of the client, and why don't you——

Mr. HAAS. Because I received it from Mr. Rand.

The CHAIRMAN. You received it through him?

Mr. NELLIS. By his check?

Mr. HAAS. By check; yes, sir.

The CHAIRMAN. You received it through him. Was it Mr. Rand's check?

Mr. NELLIS. That is what I wanted to know.

Mr. HAAS. That I would not remember, it would be a check.

The CHAIRMAN. That would be the crux of the matter.

Mr. HAAS. It was by check.

The CHAIRMAN. Because, actually, you did not receive the money from——

Mr. NELLIS. I am sorry; go ahead.

The CHAIRMAN. I say, because actually you did not receive the money necessarily from Mr. Rand.

Mr. HAAS. I did, though.

The CHAIRMAN. You received it through him. Did you receive it from him?

Mr. HAAS. It was for his clients, not my clients.

The CHAIRMAN. Actually, were they Mr. Rand's checks or the clients' checks made payable directly to you?

Mr. HAAS. That I cannot remember, sir.

The CHAIRMAN. Well, wouldn't that be very important?

Mr. HAAS. I would say it would, but at this moment I do not remember.

The CHAIRMAN. That would indicate that the client paid it directly to you.

Mr. HAAS. The checks were never made payable to me.

The CHAIRMAN. Who were they made out to?

Mr. HAAS. Mr. Rand, and then it was endorsed.

The CHAIRMAN. Endorsed over to you?

Mr. HAAS. Yes, sir.

The CHAIRMAN. Did you deal directly with the clients?

Mr. HAAS. No, sir; with Mr. Rand.

The CHAIRMAN. Did the clients know that you were receiving the money?

Mr. HAAS. I don't know.

The CHAIRMAN. Did you have any relation with them as attorney and client?

Mr. HAAS. In some instances, I did.

The CHAIRMAN. But you do decline now to give us the names of the clients?

Mr. HAAS. My client was Mr. Rand. My services were engaged by Mr. Rand, not by his clients, sir.

Mr. MOSER. Mr. Haas, Mr. Rand did not want your legal advice for his own interest, did he?

Mr. HAAS. No, sir.

Mr. MOSER. He wanted it in behalf of other people?

Mr. HAAS. That is right.

Mr. MOSER. Therefore you rendered legal services to other people through him.

Mr. HAAS. Through him, yes, sir.

Mr. MOSER. So actually you were rendering legal advice to those people through him, and then those people were your clients; were they not?

Mr. HAAS. I would say that is putting it a little broad, sir.

Mr. MOSER. You were rendering legal advice to them?

MR. HAAS. I was having no contact with the clients directly.

MR. MOSER. But they were your clients just the same.

MR. HAAS. I would say that Mr. Rand was my client in this instance.

MR. MOSER. Mr. Rand was really a conduit through which you rendered legal advice to his clients.

MR. HAAS. To Mr. Rand, and Mr. Rand was the conduit through which the legal advice was given.

MR. MOSER. You knew who the clients were; did you not?

MR. HAAS. I knew who they were.

MR. MOSER. And they knew who you were?

MR. HAAS. I imagine so.

MR. MOSER. They knew their money was being used for your advice?

MR. HAAS. Not all of it. This was only part of the fee; this was not the entire fee. That is what Rand paid me.

MR. NELLIS. What was your arrangement with Rand—pardon me, Mr. Moser—did you get half of the total?

MR. HAAS. I wouldn't know what the total fee was.

MR. NELLIS. Look, Mr. Haas, when I asked Mr. Becker to have you get up a list listing your receipts of \$5,000 or more, I did not think that you would come in, and in a sense obscure the real facts.

Now, if I ask you who Jacobs Bros. is, I assume you can tell me.

MR. HAAS. May I interrupt you a minute?

MR. NELLIS. Yes; surely.

MR. HAAS. Well, if you think for one moment that any of these fees came from any of those characters you mentioned awhile ago, I would say definitely they did not.

MR. NELLIS. Well, they are your friends; aren't they?

MR. HAAS. Friends?

MR. NELLIS. Yes. Aren't they friends of yours?

MR. HAAS. Friendly; yes. But not in a social way.

MR. NELLIS. Well, you don't want to leave on the record that word "characters"; do you?

MR. HAAS. Well, people are known as characters when they can be clowns, you know.

MR. BECKER. I might say that that is the way he describes me, as a character.

MR. HAAS. I do. I do not mean in the sense that you might say he is a clown, or something like that.

MR. NELLIS. Well, let's get back to the substance, to the meat of this question, which is why have you obscured \$14,000 of your 1947 income, so far as reporting to this committee is concerned, by the name of B. E. Rand?

MR. HAAS. That is where I received it. Those are the checks I received, sir.

MR. NELLIS. And you will not tell us who the principals were?

MR. HAAS. I think that is privileged.

MR. NELLIS. You think that is privileged?

MR. HAAS. Yes, sir.

MR. NELLIS. You claim the privilege?

MR. HAAS. Yes, sir.

MR. NELLIS. What kind of a privilege is it? What kind of a privilege is it that you are claiming?

MR. HAAS. That I was doing legal services and these communications, I say, are privileged.



Mr. NELLIS. Well, I don't quite understand your answer.

Mr. HAAS. Well, I don't know how I can make it any clearer.

Mr. NELLIS. Are you claiming attorney-and-client privilege between you and Mr. Rand?

Mr. HAAS. Yes, sir.

Mr. NELLIS. Is there an attorney-and-client privilege between you and the principals that were paying Rand?

Mr. HAAS. I don't know. I don't know those people. I didn't do business direct with them.

Mr. NELLIS. But you knew who they were?

Mr. HAAS. I have a suspicion.

Mr. NELLIS. You saw the checks from them, and you said they were endorsed over to you.

Mr. HAAS. I didn't say that.

Mr. NELLIS. Didn't you testify that Rand gave checks payable to him which were endorsed over to you?

Mr. HAAS. I don't know if I did.

Mr. NELLIS. Surely you did.

The CHAIRMAN. I so understood you.

Mr. BECKER. Yes, I think that is what he said.

Mr. NELLIS. Yes, I so understood him. I am sorry, Mr. Moser. I did not mean to stop your line. Go ahead, if you have any questions to ask.

Mr. MOSER. You said these "characters," that you didn't receive any money from any of these "characters" for legal services?

Mr. HAAS. Any of the people mentioned in the gambling business.

Mr. MOSER. Did you receive any money through somebody else from them?

Mr. HAAS. No, sir, not \$1, sir.

Mr. MOSER. None of the clients that Mr. Rand represented were these people?

Mr. HAAS. Not one of them, sir.

Mr. BECKER. It is a simple matter, I mean to say, Mr. Haas is claiming a privilege from Rand, and if Rand releases Mr. Haas there is no reason why he cannot testify, or you could get the information from Mr. Rand.

Mr. NELLIS. I have my own idea as to whether or not the alleged privilege that he has asserted would cover him.

Mr. BECKER. And I have mine, too.

Mr. NELLIS. Well, I don't think that is important. I think the important thing is that Mr. Haas says, for example, that in 1949 out of a total income from practice as an attorney of \$105,000, he received only two fees in excess of \$5,000.

Mr. BECKER. That is right.

Mr. NELLIS. Can you tell me how the balance of that \$105,000 was made up?

Mr. HAAS. Fees from clients.

Mr. NELLIS. You mean a hundred here and a hundred there?

Mr. HAAS. Oh, no.

Mr. NELLIS. How many clients do you have?

Mr. HAAS. \$500, \$750, \$1,000.

Mr. NELLIS. I say, how many clients did you have in 1949?

Mr. HAAS. I could not answer that right now. I was asked to bring in this information and I brought the information I was asked to bring.

Mr. NELLIS. Well, let's go beyond that.

Mr. BECKER. Perhaps I misunderstood the figure you just gave. Would you repeat that? I did not hear that.

Mr. NELLIS. Mr. Haas reported a figure of \$105,300, as his gross from practice as an attorney, less payments to attorneys, and I see he paid Mr. Gordon and Mr. Rand and others a certain amount, which leaves a net income from law practice of \$84,998.

Mr. BECKER. I think if you are reading that information from the income-tax return that you will find that that income is from his total income, and I think the income-tax return so shows.

Mr. NELLIS. No.

The CHAIRMAN. Well, now, Mr. Haas—

Mr. HAAS. I could not say. I don't recall those things. I have many clients.

The CHAIRMAN. Mr. Haas, do you doubt that the figure as mentioned by Mr. Nellis is the figure representing that?

Mr. HAAS. I don't know.

The CHAIRMAN. You don't know?

Mr. HAAS. No.

The CHAIRMAN. But you don't challenge it?

Mr. HAAS. I do not challenge it. I don't know.

Mr. BECKER. Well, I think if you are reading from the income-tax return I think you are supposed to state that—

The CHAIRMAN. I think Mr. Nellis has stated that that is what it was.

Mr. BECKER. You will find that it shows income from investments as well.

Mr. NELLIS. I am talking about, Mr. Becker—

Mr. BECKER. Is that just a portion of the income tax you are talking about?

The CHAIRMAN. I understood that Mr. Nellis was referring particularly to the one item of legal services.

Mr. NELLIS. That is right.

Mr. BECKER. Oh, I did not so understand. I thought he was talking about the total income.

Mr. NELLIS. I would like to relate that to what Mr. Haas gave. Let's talk about the net income of \$85,000, approximately; how come you only received two items in excess of \$5,000, and then I asked you the question how many clients you had in 1949?

Mr. HAAS. I could not tell you that, sir.

Mr. NELLIS. Well, how many clients do you have today, Mr. Haas, approximately?

Mr. HAAS. Well, a man could be my client today and next month he may go elsewhere. How could I say with certainty? It is impossible; don't you think?

Mr. NELLIS. Well, is it five?

Mr. HAAS. Oh, gosh, it would be 50.

Mr. NELLIS. It would be 50?

Mr. HAAS. Yes.

Mr. NELLIS. And you think it might have been that figure in 1949 as well?

Mr. HAAS. It could have been, sir.

Mr. NELLIS. And you understand you have only accounted for \$15,300 of your \$85,000, and there remains \$65,000 balance to be accounted for.

Mr. HAAS. That is right.

Mr. NELLIS. It would be your contention that that \$65,000 was spread around in 1950 among the others?

Mr. HAAS. Not only my contention but that is a fact. It is a fact that I received it from my clients.

Mr. NELLIS. For what type of service?

Mr. HAAS. Counsel and advice, sir.

Mr. NELLIS. Did it involve litigation?

Mr. HAAS. In some instances, yes, sir.

Mr. NELLIS. In 1949?

Mr. HAAS. Oh, yes.

Mr. NELLIS. In the county courts?

Mr. HAAS. I don't practice in the courts. I refer cases.

Mr. NELLIS. You refer cases to other attorneys?

Mr. HAAS. Yes, sir.

Mr. NELLIS. And you say you refer cases to other attorneys; is that right?

Mr. HAAS. Yes, sir.

Mr. NELLIS. And it is your sworn testimony that these two items of \$7,800 and \$7,500 are the only two you received over \$5,000 for that year; is that right?

Mr. HAAS. Yes, sir.

Mr. NELLIS. Are you offering this as sworn testimony?

Mr. HAAS. Yes, sir.

Mr. NELLIS. I would like to have this made as exhibit 1 of Mr. Haas' testimony.

The CHAIRMAN. That may be done.

(The document referred to above was marked "Haas Exhibit 1" and is as follows:)

Mr. NELLIS. All right. Now, Mr. Haas, we have a number of other things to go through, and I would like to expedite this as much as possible.

Mr. HAAS. That is fine.

Mr. NELLIS. Now, who is Fred Koehler, Mr. Haas?

Mr. HAAS. Fred Koehler is a man who was formerly chief of police of Cleveland, county commissioner, mayor, and sheriff.

Mr. NELLIS. When he died, there was some substantial amount of cash found in a strongbox; was there not?

Mr. HAAS. No, sir.

Mr. NELLIS. That is not a fact?

Mr. HAAS. No, sir.

Mr. NELLIS. Did you read Mr. Giesey's sworn testimony?

Mr. HAAS. I think I did.

Mr. NELLIS. Well, may I refresh your recollection concerning the fact that he testified he was one of the agents in connection with that matter, and that is how he happened to meet you, he said.

Mr. HAAS. That is true.

Mr. NELLIS. He said that there was a fabulous sum of money found in Mr. Koehler's strongbox.

Mr. HAAS. That is not true. They were securities, United States Government securities.

Mr. NELLIS. What were they worth, Mr. Haas?

Mr. HAAS. Well, only what I know from the newspapers.

Mr. NELLIS. What were they worth?

Mr. HAAS. They were supposedly worth \$500,000.

Mr. NELLIS. Were you the administrator of this estate?

Mr. HAAS. I was not.

Mr. NELLIS. Were you his attorney?

Mr. HAAS. I was not.

Mr. NELLIS. What was your relation with Mr. Koehler?

Mr. HAAS. A friend.

Mr. NELLIS. You never represented him?

Mr. HAAS. No, sir.

Mr. NELLIS. How did Mr. Giesey happen to meet you during an investigation of Mr. Koehler's estate?

Mr. HAAS. I will tell you. He saw in the newspapers that Mr. Koehler left a sum of \$5,000 in his will, and he took it for granted, seeing my name in there, that I would be the attorney for Mrs. Koehler, who was the administratrix or executrix of the estate.

Mr. NELLIS. He told you that?

Mr. HAAS. He came to me with another agent, and I directed him to who the counsel was for Mrs. Koehler.

Mr. NELLIS. Who was that, Mr. Haas?

Mr. HAAS. I cannot recall at this time. I know that he was connected with Mr. Gensh, but it was a man I did not know.

Mr. NELLIS. So you directed Giesey to him?

Mr. HAAS. I said that Mrs. Koehler told me whom she had secured to be her counsel.

Mr. NELLIS. And that is how you happened to meet Giesey in the first place?

Mr. HAAS. That is right.

Mr. NELLIS. That was your only connection with the estate of Fred Koehler?

Mr. HAAS. That is right.

Mr. NELLIS. You had known him for many, many years?

Mr. HAAS. I have known him since I was a boy.

Mr. NELLIS. Where did he accumulate \$500,000?

Mr. HAAS. Well, I was not privy to him.

Mr. NELLIS. Well, you were privy enough to him to be named as beneficiary in the amount of \$5,000.

Mr. HAAS. Well, I hardly think you have to be privy to a man's business to have money left to you. He was a very close dear friend of mine, sir.

Mr. NELLIS. Well, you are a very sophisticated and intelligent man.

Mr. HAAS. Thank you.

Mr. NELLIS. Do you mean to tell me that a man occupying all these high positions in a modern city of today, and accumulating \$500,000 worth of securities at his death, and you have been his friend and beneficiary to the amount of \$5,000, and you don't know where it came from?

Mr. HAAS. I certainly do not.

Mr. NELLIS. Do you know anything about his business affairs?

Mr. HAAS. Not one thing about his business, and I doubt if anybody else did. He was very uncommunicative.

Mr. NELLIS. I should think so.

Mr. HAAS. He certainly was. That was his reputation.

The CHAIRMAN. Off the record.

(Discussion off the record.)

The CHAIRMAN. Back on the record. I am sorry, gentlemen, but we will be in recess until 12:45.

(Whereupon, at 11:15 a. m., a recess was had until 12:45 p. m., this same day.)

#### AFTERNOON SESSION

The CHAIRMAN. Mr. Nellis, you may resume, please.

#### FURTHER TESTIMONY OF SAMUEL T. HAAS, CLEVELAND, OHIO, ACCOMPANIED BY SAMUEL BECKER, ATTORNEY, NEW YORK, N. Y.

Mr. NELLIS. Now, Mr. Haas, do you know Frank Costello?

Mr. HAAS. Yes, sir.

Mr. NELLIS. When did you meet him?

Mr. HAAS. In the twenties sometime.

Mr. NELLIS. Under what circumstances?

Mr. HAAS. I was introduced to him by a man by the name of Louis Bleat.

Mr. NELLIS. What was his business?

Mr. HAAS. He is a restaurant man in Cleveland.

Mr. NELLIS. You were introduced to him in Cleveland?

Mr. HAAS. No, in New York City.

Mr. NELLIS. Have you had occasion to meet with him or converse with him in recent years?

Mr. HAAS. No.

Mr. NELLIS. What was the last time you met with him, or when was the last time you met with him?

Mr. HAAS. Eight, 9, or 10 years ago, probably.

Mr. NELLIS. Before the war?

Mr. HAAS. Oh, yes—wait a minute now. When did the war start?

Mr. BECKER. 1941.

Mr. HAAS. Yes, before the war.

Mr. NELLIS. You know that he testified in New York that he knew you?

Mr. HAAS. No, I did not see that testimony. I did not read that testimony.

Mr. NELLIS. You did not read that testimony?

Mr. HAAS. No.

Mr. NELLIS. What did you understand about his connections with a certain liquor company in New York?

Mr. HAAS. I was told, I cannot recall the man's name that was at the head of this business—

Mr. NELLIS. Was it Irving Heim?

Mr. HAAS. Yes, I think so, yes. I am trying to get, or I was trying to get for a client of mine the local franchise—

Mr. NELLIS. Was it Siegfried Lowenthal Co.?

Mr. HAAS. Yes.

Mr. NELLIS. It was.

Mr. HAAS. Yes. The agency for that particular brand, I was trying to get that for him, and I was told that Mr. Costello was a friend of his.

Mr. NELLIS. It was your understanding that Costello was connected with—

Mr. HAAS. No. I understood he was a friend of his. I did not know Mr. Heim.

Mr. NELLIS. Under what circumstances did he propose that Costello could be helpful to you?

Mr. HAAS. He didn't. I was told.

Mr. NELLIS. Then I don't understand the course of the meeting. Explain it again.

Mr. HAAS. I went up to see Mr. Heim down in lower New York. I don't know just where it is because I am not too familiar with New York City, and I told him that I thought that the Lowenthal Co. could give him good representation in Ohio, and he said that they were very much interested in having a representation in a monopoly State, and I tried to show him where we could be helpful.

Later on I mentioned it to somebody, and they said that Mr. Costello was a friend of this fellow's.

Mr. NELLIS. Mr. Costello was a friend of Heim?

Mr. HAAS. Yes.

Mr. NELLIS. And you met Costello through Mr. Bleat many years before that?

Mr. HAAS. Oh, many years.

Mr. NELLIS. In any event, you had Costello's name and address in your address book?

Mr. HAAS. That is right.

Mr. NELLIS. I take it you have telephoned him occasionally?

Mr. HAAS. I never called him.

Mr. NELLIS. You never called him at all?

Mr. HAAS. No, sir.

Mr. NELLIS. Do you know Joe Adonis?

Mr. HAAS. No, sir.

Br. NELLIS. Did you ever meet him?

Mr. HAAS. No, sir.

The CHAIRMAN. Before you leave that, you say you never telephoned him, but I am wondering whether you conferred with him otherwise.

Mr. HAAS. No, sir.

The CHAIRMAN. I was just anxious to get the facts one way or the other.

Mr. HAAS. No, sir.

The CHAIRMAN. But you have met him?

Mr. HAAS. In New York two or three times at a restaurant or so, but not by any appointment. It would be an accident if I would see him in a restaurant.

Mr. NELLIS. In all fairness, that was Mr. Costello's testimony. You don't know Joe Adonis?

Mr. HAAS. No, sir.

Mr. NELLIS. Did you ever meet Willie Moretti, sometimes known by the name of Willie Moore?

Mr. HAAS. No, sir.

Mr. NELLIS. Now, let's get down to the real estate transactions in Florida. I am interested in those.

You testified previously that A. E. Gordon was an associate of yours, is that right?

Mr. HAAS. That—let me explain that. Mr. Gordon has office space in my office. He does work for me and sometimes shares in my fees.

Mr. NELLIS. Yes. Well, you pay him occasionally?

Mr. HAAS. I don't pay him exactly, but we share fees on some matters that he handles, and on some matters I don't pay him because he doesn't pay rent.

Mr. NELLIS. You have paid him sums of money over the years?

Mr. HAAS. That is right.

Mr. NELLIS. Who is Metzger, by the way?

Mr. HAAS. An insurance man.

Mr. NELLIS. In the city of Cleveland?

Mr. HAAS. Yes.

Mr. NELLIS. Now, Gordon and Metzger turn up as trustees on many of these real-estate transactions, and if you want me to be specific—

Mr. HAAS. Yes; I don't remember them.

Mr. NELLIS. Do you recall any case where they turned up, the two of them, as trustees?

Mr. HAAS. Well, you refresh my recollection, and I will be glad to answer.

Mr. NELLIS. A corporation thereafter took over the assets?

Mr. HAAS. I don't know.

Mr. NELLIS. How about this block of apartments at 2255, 2539, and 2533 North Moreland Avenue?

Mr. HAAS. Yes, sir.

Mr. NELLIS. Metzger was trustee for those?

Mr. HAAS. That is right.

Mr. NELLIS. What is your office address?

Mr. HAAS. 540 Leader Building.

Mr. NELLIS. He gave your office address.

Mr. HAAS. That is right.

Mr. NELLIS. Is that right?

Mr. HAAS. That is right.

Mr. NELLIS. Then in 1948 you showed up as having a mortgage of \$50,000 on that property, along with the Allied Manufacturing Co., is that right?

Mr. HAAS. That is right, Allied.

Mr. NELLIS. And the Prudential Insurance Co. I take it?

Mr. HAAS. Allied Co. is an insurance company—well, I don't know what you call them, they place insurance.

Mr. BECKER. Brokers?

Mr. HAAS. Insurance brokers, for the placing of money for mortgages.

Mr. NELLIS. And that is one instance where Mr. Metzger served as trustee and gave your office address?

Mr. HAAS. That may be so.

Mr. NELLIS. All right. Now, in other cases as well, specifically in the case of your Florida real estate deals?

Mr. HAAS. Yes, sir.

Mr. NELLIS. Doesn't Mr. Metzger show up there as trustee?

Mr. HAAS. No, sir.

Mr. NELLIS. On no occasion?

Mr. HAAS. No, sir.

Mr. NELLIS. How about Mr. Charles Bernstein, do you know him?

Mr. HAAS. Yes, sir.

Mr. NELLIS. What business is he in?

Mr. HAAS. He is a builder.

Mr. NELLIS. And did he build the Green Heron Hotel?

Mr. HAAS. No, sir.

Mr. NELLIS. Did he build the Palm Beach—

Mr. HAAS. Ambassador?

Mr. NELLIS (continuing). Ambassador?

Mr. HAAS. Yes, sir.

Mr. NELLIS. That is right?

Mr. HAAS. Yes, sir.

Mr. NELLIS. And was that land owned by you?

Mr. HAAS. It was.

Mr. NELLIS. Was that land owned by you with other interests?

Mr. HAAS. No, sir.

Mr. NELLIS. Or by you solely?

Mr. HAAS. Solely.

Mr. NELLIS. I see. And who is the manager of that hotel?

Mr. HAAS. Mr. Bernstein is the owner and manager, so far as I know. I don't know who his particular manager may be.

Mr. NELLIS. Have you had any cash dealings with Mr. Bernstein?

Mr. HAAS. What do you mean by "cash dealings"?

Mr. NELLIS. Dealings involving real estate where currency was used as the exchange instead of checks as normally?

Mr. HAAS. No, sir.

Mr. NELLIS. None whatsoever?

Mr. HAAS. None whatsoever.

Mr. NELLIS. All right. Now, what is the Mid-West Chemical Development Co.?

Mr. HAAS. That was a company I was in and I have sold out.

Mr. NELLIS. How did you happen to get into that?

Mr. HAAS. Through Mr. Howard Hirsch, an attorney in Cleveland.

Mr. NELLIS. And in the course of that you met Mr. Fisher, I take it?

Mr. HAAS. I never met Mr. Fisher.

Mr. NELLIS. You did not?

Mr. HAAS. No, sir.

Mr. NELLIS. Did you know that he had an interest?

Mr. HAAS. Yes, sir.

Mr. NELLIS. And he sold you his control of the company, did he not?

Mr. HAAS. He did not sell me it, I never met Mr. Fisher, so he could not very well sell it to me.

Mr. NELLIS. Well, what were the facts?

Mr. HAAS. Well, Howard Hirsch came to me and said that this was a small, well, I call it a drug firm, more than a chemical firm, manufacturing vitamins and drugs of that type, and that he had an idea of a preparation that he thought would have a big sale and he asked me to invest with him, which I did.



Mr. NELLIS. How much money did you invest?

Mr. HAAS. \$8,000.

Mr. NELLIS. Now, this area around Larchmont—is that the correct pronunciation?

Mr. HAAS. Yes, sir.

Mr. NELLIS. And North Moreland Boulevard?

Mr. HAAS. Yes.

Mr. NELLIS. You own quite a bit of property around there, do you not?

Mr. HAAS. Yes, sir.

Mr. NELLIS. What is the total value of the property you own in Cleveland, Mr. Haas?

Mr. HAAS. I would not know, sir.

The CHAIRMAN. Well, can't you estimate it, just about?

Mr. HAAS. May I make a statement at this time?

The CHAIRMAN. Yes, indeed.

Mr. HAAS. I am under investigation by the special agents of the Treasury Department, and I don't think it is fair at this time to ask me any questions regarding my holdings.

The CHAIRMAN. Yes. Well, now, Mr. Haas, we would like to make it plain to you that we are not seeking any information which would bear upon any matter having to do with your income tax, any income-tax difficulties; in other words, just so that we understand each other, we are not directing any inquiry toward the disclosure of data that might bear upon income-tax requirements or violations.

Mr. HAAS. Senator, if I start telling—Mr. Nellis has asked me what these holdings are worth, and that is equivalent, in my opinion at least to my making a declaration of my net worth.

The CHAIRMAN. Well, except this, Mr. Haas, and I am not arguing it, but just putting out the facts, they are matters of record, are they not?

Mr. HAAS. As to what they are worth?

The CHAIRMAN. No, your holdings.

Mr. HAAS. The holdings I am very willing to testify to.

The CHAIRMAN. So I rather assume that they would be matters of record that anybody could get.

Mr. HAAS. Definitely so, and I will be glad to tell you of my holdings.

The CHAIRMAN. And insofar as they are identifiable, their approximate value could be ascertained by one way or other, by appraisal, so we are not asking you for anything confidential, but rather what might be your estimate. And then again, your estimate might not be accurate.

Mr. BECKER. Well, let me put it this way: I submitted a memorandum to Mr. Nellis and to Mr. Moser in which I told them in my opinion the net worth was an important and substantial ingredient in tax cases. It always is.

Mr. NELLIS. Pardon me. You are jumping the gun. I have not asked the man that.

Mr. BECKER. I know you have not. I am coming to that. It is a substantial ingredient. It is a very well-recognized method of determining a man's income.

There are United States Supreme Court decisions, and the one especially in the Rogers case, and that case had to do with a man starting giving certain testimony, and that may open the door.

Now, when you begin to ask about one asset and another asset and another asset, you are getting to the question of net worth, and you can do that by asking about one asset, and it is arguable that you have opened the door to being questioned about the value of all of your assets, and I think the Rogers case is pretty clear on that point.

The CHAIRMAN. Counsel, I really don't agree with you on that, insofar as this is concerned.

Mr. BECKER. Have you examined the authorities on that?

The CHAIRMAN. I have read the case you are referring to. I am only talking about this one particular matter, which is a matter of record, and about which the general appraisal may be made by any competent person.

Mr. BECKER. Well, if you wish to make an appraisal it is all right, but there is a question when the man himself tells you what it is worth, a question is raised as to whether or not he has not begun to open the door about his worth generally, and you may get it the minute you question him to state those things, you are getting pretty close to it.

The CHAIRMAN. Would you make the same answer as to what the purchase price of the properties were?

Mr. BECKER. I think not.

Mr. NELLIS. Well, let's rephrase it.

The CHAIRMAN. We are not going into the income tax phase.

Mr. NELLIS. No. I thought I made that plain to you in our conference, that I felt that that was the type of questioning we would try to stay away from.

Mr. BECKER. You did, and I did not want to go into the question of values.

Mr. NELLIS. What was the purchase price of the properties you own around Cleveland?

Mr. HAAS. You ask me the specific ones and I will be glad to answer them.

Mr. NELLIS. Can you give us an over-all estimate to save us time of having to go through each parcel because you are a very active trader?

Mr. HAAS. Well, let us take Kinsman Center. These were originally in my name and I turned them into corporations, because I was hopeful of selling them within a year or so and getting a capital tax gain, but when I found I could not, naturally, I turned them into corporations.

Kinsman Center is at Warrensville Road and Kinsman. I purchased that lot in 1944, at a cost of \$100,000. There were back taxes on it of \$55,000, and I bought it from the Van Swearingen Co., and the building cost \$600,000, I mean, the building cost \$600,000 to build, and the land cost \$100,000.

Mr. NELLIS. You built the building?

Mr. HAAS. Charles Bernstein procured a mortgage for \$700,000, I think it was from the Ocean, or something like that, out in California, I think it is the Ocean Insurance Co., or something like that. You have got that one.

Mr. NELLIS. I have got Kinsman Center.

Mr. HAAS. Then there is my house on Parkland—

Mr. NELLIS. That is your personal home?

Mr. HAAS. Yes, sir.

Mr. NELLIS. Well, let's go on to the Kemper property.

Mr. HAAS. The Kemper, I purchased that property in January of 1948. The cost of the property was \$525,000.

Mr. NELLIS. Well, is it just coincidence that Kleinman and Rothkopf own buildings right next door?

Mr. HAAS. I think I had mine later; I am not certain, though.

Mr. NELLIS. Did you get any tips from them as to the availability of this building?

Mr. HAAS. No, Bernstein is a very close friend of mine.

Mr. NELLIS. Well, let's be frank. Is Bernstein the key to all of this?

Mr. HAAS. What do you mean by the key, sir?

Mr. NELLIS. Well, this little coincidence which occurs so often.

Mr. HAAS. No.

Mr. NELLIS. How does it happen that Kleinman and Rothkopf happen to own that property then?

Mr. HAAS. I could not tell you.

Mr. NELLIS. It is just by the sheerest coincidence?

Mr. HAAS. Sheer coincidence, yes, sir.

Mr. NELLIS. It couldn't happen more strangely.

Mr. HAAS. Well, it is just coincidence that they happen to own that building. I don't know whether they purchased it before or after me.

Mr. NELLIS. Well, I have the facts, and it was about the same time.

Mr. HAAS. You are asking about Kemper?

Mr. NELLIS. Yes.

Mr. HAAS. \$525,000 cost, and \$366,000 mortgage, and \$159,000 paid in.

Mr. NELLIS. All right.

Mr. HAAS. What next?

Mr. NELLIS. Is that 2525 you are talking about?

Mr. HAAS. Well, you called it Kemper.

Mr. NELLIS. There are other properties on Kemper.

Mr. HAAS. Well, Miss Shannon takes care of these things.

Mr. NELLIS. Do you mean that you have so much property that it is hard for you to tell?

Mr. HAAS. I don't know the exact numbers.

Mr. NELLIS. What about South Park Manor? That is in the same area. Maybe you can tell me about that.

Mr. HAAS. Yes.

Mr. NELLIS. That is the Shaker Fairhill Co. That is at 1300 Fairhill Road.

Mr. HAAS. Yes; I know where it is.

Mr. NELLIS. May I ask you a question in order to expedite this proceeding?

Mr. HAAS. Why, certainly.

Mr. NELLIS. Mr. Becker.

Mr. BECKER. Yes.

Mr. NELLIS. Would you be willing to submit that record as exhibit No. 2 to Mr. Haas' testimony? Then I would not have to ask him about it.

Mr. BECKER. Well, you had better ask him about this one. I don't see it on here. Oh, yes; here it is.

Mr. HAAS. The cost to me of that was \$97,000, I only owned part of it.

Mr. NELLIS. Who owned the rest of it?

Mr. HAAS. A Mr. Nickman and Mr. Spohn.

Mr. NELLIS. Is that George P. Nickman?

Mr. HAAS. Yes; and Spohn also; \$97,500 was my cost.

Mr. NELLIS. Yes. In 1948?

Mr. HAAS. In 1948 and 1949. My records show 1948 and 1949.

Mr. NELLIS. Would you be willing to submit that piece of paper that you have?

Mr. HAAS. Well, can't you put that down?

Mr. BECKER. These are my working papers.

Mr. HAAS. There is something else on here.

Mr. NELLIS. All right. We have it in the record. Again, does that cover all of your Cleveland properties?

Mr. HAAS. Just a minute.

Mr. NELLIS. Let me hand you this paper [handing paper to witness].

Mr. HAAS. Yes; everything I have ever owned prior to this here, yes; everything is on this paper.

Mr. NELLIS. On this paper and what you have read into the record.

Mr. HAAS. No; there is another lot on Woodland Avenue, which they missed, which I thought of, a lot that cost \$12,000, \$6,000 cash and \$6,000 mortgage.

Mr. NELLIS. What year is that?

Mr. HAAS. Oh, gosh, I don't know, I can't tell you.

Mr. NELLIS. Approximately.

Mr. HAAS. Well, when they started to separate the motion-picture houses from——

Mr. NELLIS. That was 1943.

Mr. HAAS. No; this was much later.

Mr. NELLIS. That was when they started.

Mr. HAAS. Well, I bought this lot on a tip. The Warners were going to build a house there, and when these proceedings started, well, of course, it blew it up. It is still vacant.

Mr. NELLIS. Who gave you the tip?

Mr. HAAS. It was generally known around Cleveland, it was probably Louis Kaufman, he worked for them.

Mr. NELLIS. Mr. Chairman, I offer this as exhibit 2 to Mr. Haas' testimony, which is a summary of his real-estate holdings, with the exception of——

Mr. HAAS. With the exception of the two I mentioned.

The CHAIRMAN. With the exception of those you have mentioned.

Mr. HAAS. Yes, sir.

The CHAIRMAN. Subject to those qualifications it may be admitted.

(The document referred to above was marked "Haas Exhibit No. 2" and is as follows):

Location	Year	Cost	Mortgage	Net
Kinsman Center, hand cost \$100,000 including back taxes of \$55,000 payable over 10 years; building cost \$600,000; \$700,000 mortgage.	October 1944.....	\$700,000	\$700,000	None
House, Parkland.....	1937.....	45,000	25,000	\$20,000
Lomond lot.....	1943.....	10,000		10,000
Seven Hills.....	1944.....	3,000		3,000
Lorain Street.....	January 1946.....	39,000	20,000	19,000
Fairview.....	1944.....	15,000		15,000
Kemper, Cleveland.....	January 1948.....	525,000	366,000	159,000
Palm Beach:				
Sunrise.....	September 1944.....	25,000	10,000	15,000
Royal Park.....	November 1944.....	47,500	36,500	11,000
Bessmer.....	October 1944.....	175,000	157,500	17,500
500 Palm Beach.....	September 1944.....	75,000	52,500	22,500
300 Palm Beach.....	October 1944.....	33,000	22,000	11,000
Worth Ave.....	May 1945.....	26,250	15,000	11,250
Miami:				
Collins Ave.....	August 1944.....	50,000	33,000	17,000
Do.....	February 1949.....	75,000	50,000	25,000

*Tower bowl.*—Partnership formed 1941. Original investment \$12,500 for 12½ interest. Operated bowling-alley enterprise in San Diego, Calif. Partners: Albert Hanson, Ruth Hanson, Wayne A. Hanson, George M. Strong, Virginia Berdge, Blanche Levy, S. Charles Lee, Oscar Oldnow, all of Los Angeles, Calif.

Mr. HAAS. I mean, there are two others not on that list.

Mr. NELLIS. What about your Florida holdings?

Mr. HAAS. Yes.

Mr. BECKER. They are on there, on the same sheet of paper.

Mr. NELLIS. May I see this, please?

Mr. HAAS. All that has been sold.

Mr. NELLIS. You say these are all of your acquisitions in the Florida area; that is in California?

Mr. HAAS. That is true, all of them. There is the cost price, the mortgages, and the equity.

Mr. BECKER. And the net investment.

Mr. NELLIS. Do you have any other real estate anywhere else?

Mr. HAAS. Not that I can think of.

Mr. NELLIS. Or any other business interests anywhere else that are productive of income or capital gain?

Mr. HAAS. Well, the Tower Bowl in San Diego.

Mr. NELLIS. Is that a Hanson partnership?

Mr. HAAS. I don't know how many partners there were.

Mr. NELLIS. There are the others on the list also.

Mr. HAAS. There are some others down here not on the list.

Mr. NELLIS. Read them off, please.

Mr. HAAS. I cannot remember Metzger's name. He is now dead. He was living in Los Angeles, and he was in the motion-picture business, living in San Diego.

Mr. NELLIS. Is he related to Kern Metzger?

Mr. HAAS. No.

Mr. NELLIS. Is he related to Harold Metzger?

Mr. HAAS. I don't know him.

Mr. NELLIS. Of Los Angeles, a motion-picture man, a dark-complexioned man, a friend of Hanson's.

Mr. HAAS. It might be.

Mr. NELLIS. O. K., proceed.

Mr. HAAS. And Donna Strong.

Mr. NELLIS. That is what?

Mr. HAAS. This is part of the partnership that is not reflected on that paper here.

Mr. NELLIS. Donna Strong is who?

Mr. HAAS. Widow of E. P. Strong. Walter E. Green, New York, whom I don't know, and J. A. McCalley, Chicago, whom I don't know. They were friends of Hanson and mine.

Mr. NELLIS. That was the Tower Bowl; is that right?

Mr. HAAS. That was a bowling alley in San Diego.

Mr. NELLIS. Mr. Haas, going back for one moment, do you remember I asked you whether you ever represented Lubeck or Al Polizzi?

Mr. HAAS. I never did.

Mr. NELLIS. Do you remember a libel action in 1936?

Mr. HAAS. Yes, sir.

Mr. NELLIS. Do you remember your testimony?

Mr. HAAS. No.

Mr. NELLIS. Didn't you testify in that case that you represented Polizzi and the Lubeck Brewery Co.?

Mr. HAAS. I am sure I never represented the Lubeck Brewing Co., never.

Mr. NELLIS. What about Polizzi, Mr. Haas? Remember, this is important.

Mr. HAAS. You are asking me to remember what I said in 1936.

Mr. NELLIS. Yes; what you testified to under oath. Wouldn't you remember that?

Mr. HAAS. No; they asked me about so many people.

Mr. NELLIS. Is it your answer that you don't remember you testified to that effect?

Mr. HAAS. That is right.

Mr. NELLIS. So you may have represented Al Polizzi?

Mr. HAAS. My recollection is that I did not.

Mr. NELLIS. Your recollection is that you did not?

Mr. HAAS. That is right, sir.

Mr. NELLIS. Your testimony is that without refreshing your memory as to your actual testimony of the 1936 libel action you could not say whether you testified to that at that time?

Mr. HAAS. I could not say as to that time.

Mr. NELLIS. That you represented Al Polizzi?

Mr. HAAS. I could not say one way or the other.

Mr. NELLIS. I want to get it straight if I can.

Mr. HAAS. My recollection is that I never represented them.

Mr. NELLIS. How did you acquire the Burroughs Book Store?

Mr. HAAS. From the owner, the former owners.

Mr. NELLIS. And who were they?

Mr. HAAS. A man by the name of Bingham, Mr. Howard Klein, and a lawyer by the name of Schlesinger handled the negotiation.

Mr. NELLIS. How much did you pay for that investment?

Mr. HAAS. I think the total investment ran \$450,000.

Mr. NELLIS. How did you pay for that?

Mr. HAAS. What do you mean by that?

Mr. NELLIS. Was it over a period of time?

Mr. HAAS. Oh, no, no.

Mr. NELLIS. You paid cash for it?

Mr. HAAS. Spot cash for it; yes, sure.

Mr. NELLIS. You laid it on the line?

Mr. HAAS. Of course.

Mr. NELLIS. What year was that?

Mr. HAAS. In 1944, I recollect.

Mr. NELLIS. In 1944?

Mr. HAAS. Yes.

Mr. NELLIS. You are the sole owner of Burroughs?

Mr. HAAS. No, sir; I was a 37½ percent owner.

Mr. NELLIS. Who were the other owners?

Mr. HAAS. The other owners was E. P. Strong, Howard Klein, and B. E. Rand.

Mr. NELLIS. That is the same Mr. Rand?

Mr. HAAS. The same Mr. Rand.

Mr. NELLIS. Who paid you the \$14,000?

Mr. HAAS. One year.

Mr. NELLIS. What about the Green Heron Hotel in Florida?

Mr. HAAS. I know nothing about that, sir.

Mr. NELLIS. Do you know anything about that?

Mr. HAAS. Nothing at all, sir.

Mr. NELLIS. Have you ever been there?

Mr. HAAS. No, sir.

Mr. NELLIS. You have never been inside the place?

Mr. HAAS. No, sir.

Mr. NELLIS. Well, let's see. In 1946 you transferred title to some property——

Mr. HAAS. Say that again. I didn't quite hear it.

Mr. NELLIS. In June 1946 you transferred title to some property at Palm Beach, Fla.?

Mr. HAAS. In 1946 I transferred title?

Mr. NELLIS. To the Cleveland Shaker Apartment Co., a Florida corporation.

Mr. HAAS. That is the land that the Palm Beach Ambassador Hotel is built on.

Mr. NELLIS. That is the Palm Beach Ambassador?

Mr. HAAS. That is right.

Mr. NELLIS. What was the consideration you received for that transfer; do you recall?

Mr. HAAS. I cannot remember.

Mr. NELLIS. Would it be about \$75,000?

Mr. HAAS. I would say approximately.

Mr. NELLIS. Now, the Cleveland Shaker Apartment Co., which owns the Palm Beach Ambassador Hotel, is owned by Charles Bernstein?

Mr. HAAS. Well, I think he is one of the stockholders.

Mr. NELLIS. Yes; he is the president of the company.

Mr. HAAS. I don't know who the other stockholders are.

Mr. NELLIS. Would it surprise you to know that A. E. Gordon is secretary of that at all?

Mr. HAAS. Not at all. I didn't know that, however.

Mr. NELLIS. How does it happen that an associate in your office turns up as Bernstein's associate?

Mr. HAAS. He has handled a lot of real-estate transactions for Bernstein, you know, and it is common practice for a lawyer, sometimes, to be secretary or some officer of a company. I consider that nothing unusual.

Mr. NELLIS. Do you own any portion of Mr. Gordon's ownership of that hotel?

Mr. HAAS. He has no interest in that hotel at all.

Mr. NELLIS. Why would he be serving as secretary of that corporation?

Mr. HAAS. Because Mr. Bernstein asked him.

Mr. NELLIS. You mean as an accommodation to Bernstein?

Mr. HAAS. I am sure that he does not own one share of stock.

Mr. BECKER. Wait, he may have a qualifying share.

Mr. HAAS. I don't know if you need a qualifying share, but he has no financial interest.

Mr. NELLIS. He is the secretary of that corporation.

Mr. HAAS. Well, if you say so.

Mr. NELLIS. I am reading from the real-estate records.

Mr. HAAS. I don't doubt it.

Mr. NELLIS. Do you know Harris Drew, former city attorney at Palm Beach?

Mr. HAAS. He is an attorney; yes, I know him.

Mr. NELLIS. He was the individual who represented the group that acquired this property from you and built the Palm Beach Ambassador Hotel?

Mr. HAAS. Will you say that again?

Mr. NELLIS. Mr. Drew represents a group, the group to which I have been referring.

Mr. HAAS. I don't know that.

Mr. NELLIS. You don't know that?

Mr. HAAS. I don't know that.

Mr. NELLIS. The land upon which the hotel was built belonged to you?

Mr. HAAS. Yes, sir.

Mr. NELLIS. Mr. Bernstein is president of a company that owns the hotel?

Mr. HAAS. Yes.

Mr. NELLIS. And Mr. Gordon, who was your associate, is secretary of that corporation?

Mr. HAAS. So you say. I don't know that of my own knowledge, sir.

Mr. NELLIS. I understand that. That is perfectly all right. Now, who is Herman Cohen?

Mr. HAAS. Herman Cohen is a former law associate of mine in Cleveland, now practicing law in Florida.

Mr. NELLIS. That is right. Can you describe him? I am curious about him.

Mr. HAAS. He is a man, I would say, about 5 foot 5 or 6; semibald, a little gray hair, a little fluffy on the sides, a man I would say around 56 years of age, weighing about 140 pounds.

Mr. NELLIS. That fits the description of the gentleman who represented Jack Friedlander before this committee.

Mr. BECKER. That is the man.

Mr. HAAS. I don't know.



Mr. NELLIS. That is the same man?

Mr. BECKER. Yes, sir.

Mr. NELLIS. Mr. Cohen is practicing law in Miami——

Mr. HAAS. Miami Beach.

Mr. NELLIS (continuing). Beach, Fla.?

Mr. HAAS. That is right.

Mr. NELLIS. And he is your former associate; is that right?

Mr. HAAS. That is right.

Mr. NELLIS. Do you know the area in Dade County, Fla., known as Millionaires' Row?

Mr. HAAS. No.

Mr. NELLIS. Did you ever hear of it?

Mr. HAAS. I know very little about Miami proper, or Miami Beach, either, for that matter.

Mr. NELLIS. Did you ever own any property in Miami Beach?

Mr. HAAS. I told you about these lots on Collins Avenue.

Mr. NELLIS. Was that Millionaires' Row?

Mr. HAAS. I don't know.

Mr. NELLIS. You never heard of it that way?

Mr. HAAS. No, sir.

Mr. NELLIS. Did you ever own any property with William Burbridge?

Mr. HAAS. No.

Mr. NELLIS. Did you ever own any property with Sammy Kaye?

Mr. HAAS. He had a half interest in one piece of property, 500 feet, he took a deed for 250, and I took a deed for 250, but I was holding my 250 in trust for Tom McGinty and E. P. Strong.

Mr. NELLIS. That was the piece of property that you testified to previously when I asked you about McGinty?

Mr. HAAS. That is right, sir.

Mr. NELLIS. Who is Sammy Kaye?

Mr. HAAS. He is a real-estate operator in Miami Beach.

Mr. NELLIS. He is the same individual, I presume, then, if you have read the record, who recommended a deal to Mr. Polizzi for Mr. McBride.

Mr. HAAS. I don't know. I did not read that record.

Mr. NELLIS. You did not know that?

Mr. HAAS. I did not read the record.

Mr. NELLIS. Did you ever hear of the S. & G. syndicate?

Mr. HAAS. I have read about that.

Mr. NELLIS. Do you know Levitt?

Mr. HAAS. No.

Mr. NELLIS. Or Ben Cohen?

Mr. HAAS. No, sir.

Mr. NELLIS. Or Harold Salvey?

Mr. HAAS. No, sir.

Mr. NELLIS. Well, some of the property records down in this area near your lot indicate that members of that syndicate, Mr. Kaye, and Mr. Burbridge, who is city councilman in Miami Beach, own adjoining property.

Mr. HAAS. Adjoining?

Mr. NELLIS. Yes.

Mr. HAAS. Well, I wouldn't know that, sir. You surprise me.

Mr. NELLIS. In any event, no property you ever owned in that area has also been owned in part by any of the S. & G. syndicate is that right?

Mr. HAAS. Definitely.

Mr. NELLIS. Did I ask you whether or not you had ever given any sums of money in cash to Mr. Bernstein?

Mr. HAAS. Yes, you did.

Mr. NELLIS. And your answer was what?

Mr. HAAS. No.

Mr. NELLIS. Never?

Mr. HAAS. Never.

Mr. NELLIS. How about Alvin Giesey, have you ever given him any money?

Mr. HAAS. Oh, of course not.

Mr. NELLIS. Has he represented you in connection with your tax returns?

Mr. HAAS. Oh, yes, he prepares my tax returns.

Mr. NELLIS. Then presumably you have paid him for that.

Mr. HAAS. Oh, certainly.

Mr. NELLIS. Aside from that you have never given him any money?

Mr. HAAS. No, sir.

Mr. NELLIS. Does Giesey manage the race track at Thistledown?

Mr. HAAS. There is no race track there, it burned down in 1943.

Mr. NELLIS. What is there?

Mr. HAAS. Nothing; vacant land.

Mr. NELLIS. Vacant land?

Mr. HAAS. Yes, sir.

Mr. NELLIS. Who manages that land, do you know?

Mr. HAAS. It was sold to the Detroit Racing Association. I don't know what they did with it. It was sold to the Detroit Racing Association early in 1944, I mean early in 1943, right after the fire. I think the fire occurred in 1943, though I am not positive of the exact date.

Mr. NELLIS. Do you own any land, or did you own any land, on which a drive-in theater was built at 11211 Brook Park Road?

Mr. HAAS. Yes, sir.

Mr. NELLIS. Now, Giesey's office was listed as the place of business for this drive-in theater; was it not?

Mr. HAAS. That is true. That was a man by the name of Oakes, who had his office in there, in the Buckley Building, whatever the number is I do not know.

Mr. NELLIS. Now, on this land on which this drive-in theater was built, I understand that you owned it?

Mr. HAAS. That is true.

Mr. NELLIS. And you sold it to the corporation which built the theater?

Mr. HAAS. Yes, sir.

Mr. NELLIS. Adjoining this was the land owned by "Mickey" McBride?

Mr. HAAS. That I do not know.

Mr. NELLIS. Did you ever do any business with McBride in that area?

Mr. HAAS. No, sir. This land was purchased at a sheriff's sale.

Mr. NELLIS. The bulk of your income is from the practice of law?

Mr. HAAS. Well, when you say "bulk," what do you mean?

Mr. NELLIS. The majority.

Mr. HAAS. I would say from investments and practice, both. I would say close to 55-50, although I am not certain.

Mr. NELLIS. And your income has been in the six figures for the last few years, would you say?

Mr. HAAS. Yes, sir.

Mr. NELLIS. Is that right?

Mr. HAAS. That is right.

Mr. NELLIS. Approximately when did you begin earning income in the six figures?

Mr. HAAS. You had better judge that. You have my returns there.

Mr. NELLIS. No, no, you are on the stand.

Mr. HAAS. I cannot truthfully tell you when.

Mr. NELLIS. Well, in 1932 you were in bankruptcy.

Mr. HAAS. That is true.

Mr. NELLIS. And in 1933 did you earn six figures in income?

Mr. HAAS. In six figures?

Mr. NELLIS. Yes.

Mr. HAAS. No.

Mr. NELLIS. In 1934?

Mr. HAAS. I doubt it.

Mr. NELLIS. In 1935?

Mr. HAAS. I would not remember, really.

Mr. NELLIS. Beginning when? Surely you must remember when you started becoming successful.

Mr. HAAS. Well, I was successful in 1934 and 1935. I was supporting my family. I consider that being successful.

Mr. NELLIS. You don't remember when you began to earn really big money?

Mr. HAAS. No; I can't say.

Mr. NELLIS. Has it been within the last 10 years?

Mr. HAAS. In six figures? I couldn't tell you.

Mr. NELLIS. When did you acquire your first parcel of real estate, aside from your home?

Mr. HAAS. That sheet I gave you should show it. I see it is in 1943.

Mr. NELLIS. In 1943, is that right?

Mr. HAAS. That is right.

Mr. NELLIS. And prior to that you owned no property at all?

Mr. HAAS. Outside of my house.

Mr. NELLIS. Outside of your house?

Mr. HAAS. No, sir.

Mr. NELLIS. Have you ever been a legal representative of any gambling syndicate?

Mr. HAAS. No, sir.

Mr. NELLIS. Have you at any time represented any combination of persons who were in the gambling business, outside of the State of Ohio?

Mr. HAAS. No, sir.

Mr. NELLIS. Have you at any time been a partner in any enterprise engaged in the gambling business?

Mr. HAAS. No, sir.

MR. NELLIS. Aside from the slot machines and the companies we spoke of.

MR. HAAS. I disagree with you, there were no slot machines, that I know of, and I was there in Colorado Springs.

MR. NELLIS. Were you at the Phoenix, Ariz., place of business?

MR. HAAS. I was there for 5 weeks.

MR. NELLIS. And you observed no slot machines there at that time?

MR. HAAS. There were no slot machines. I had nothing to do with that, but I still say there were no slot machines. I had no interest in the business at Phoenix.

I am now talking about Colorado Springs, and there were no slot machines there at all, and none were operated, because if there were I would have known about it.

MR. NELLIS. What is the—I can't quite make out the name, but it is a manufacturing company.

MR. HAAS. That is a screw-machine company.

MR. NELLIS. Giesey had an interest in that, too?

MR. HAAS. Yes, sir.

MR. NELLIS. Did you?

MR. HAAS. I had an interest.

MR. NELLIS. But I mean, did you solicit Giesey's interest in that company?

MR. HAAS. It was brought to me by Giesey, it was his son, he has a son by a first marriage who is, I don't know, say in his late twenties, and he brought the deal to him.

MR. NELLIS. When did you last see Kleinman or Rothkopf?

MR. HAAS. I saw Kleinman last week.

MR. NELLIS. Did you meet with him?

MR. HAAS. He came to see me in my office.

MR. NELLIS. He did?

MR. HAAS. Yes.

MR. NELLIS. What was the occasion of his visit?

MR. HAAS. Nothing in particular.

MR. NELLIS. Just wanted to chat?

MR. HAAS. Well, I had not seen him since I returned from down south, from Jamaica.

MR. NELLIS. And did you talk about your prospective testimony here?

MR. HAAS. No, I just told him I was coming in here on this day.

MR. NELLIS. Did he bring you any business proposition of any sort?

MR. HAAS. No, no; I never had any business proposition in my life of any kind from him.

MR. BECKER. You mean from Kleinman?

MR. HAAS. Yes.

MR. NELLIS. From Kleinman?

MR. HAAS. Yes.

MR. NELLIS. When did you last see Rothkopf?

MR. HAAS. In the last 2 or 3 weeks, I saw him in a restaurant.

MR. NELLIS. But this was not a prearranged meeting?

MR. HAAS. Oh, no; definitely not.

MR. NELLIS. I have no further questions, Mr. Chairman.

THE CHAIRMAN. That will conclude your examination.

I want to ask you whether you feel that your examination and the hearing has been entirely fair and proper.

Mr. BECKER. I would say so. I still think——

Mr. HAAS. I just want to say this, may I make a statement at this time?

The CHAIRMAN. Yes.

Mr. HAAS. The statement that representatives of the Cleveland Police Department, or any other officials, came to my office three times a day or four times a day for weeks, I cannot believe, sir.

Miss Shannon has been with me a long while, and she is a very truthful person. She told me, what day it was I don't know, but after my departure, that a marshal who said he knew me, although I don't know him, came to the office and asked if I was there. She said "No." He said, "When will he return?" She said, "May 1." With that he left.

Then when I returned to Cleveland Miss Shannon told me that a marshal, and I take it for granted it was the marshal, although she didn't know, went to my office and inquired if I was present, and they said no, that I was away, and I would be gone until May 1. That is all I know. I want to clarify that.

Mr. NELLIS. Well, I don't want to leave the record that way, Mr. Chairman. I would simply like to add this fact, that the police reports stating the number of times, and the police officers who visited Mr. Haas' home and his place of business, and the number of places in New York are available, and I think they should be made part of this record, and I will ask Mr. McCormick to see to it that they are furnished this committee.

I don't want to leave the record with the impression that we did not seek Mr. Haas' testimony diligently.

Mr. HAAS. I am not stating that.

Mr. BECKER. Nobody contends that you did not.

Mr. HAAS. I just have to take Miss Shannon's word for it. I was not there.

Mr. NELLIS. You made no effort to be there.

Mr. HAAS. It is a very, very improper statement which you just made, an improper statement, and I think that that should not be part of the record.

Mr. MOSER. I want to ask you a couple of questions. You said you have an interest in slot machines?

Mr. HAAS. That is right, sir.

Mr. MOSER. You are not quibbling with regard to what slot machines mean?

Mr. HAAS. No. A slot machine is a thing that you put money in and money comes out, is that what you mean?

Mr. MOSER. Yes.

Mr. HAAS. Or even a mint machine.

Mr. MOSER. Or even a minute machine.

Mr. HAAS. Yes.

Mr. MOSER. You said if there had been any slot machines in Phoenix when you were there that you would have known about it?

Mr. HAAS. I would have known about it.

Mr. MOSER. How would you be sure?

Mr. HAAS. I used to go to my brother's place of business frequently. I lived at the Arizona Biltmore and he was downtown. I was there primarily because my stepson was working in Phoenix at that time.

Mr. MOSER. What was your stepson's business?

Mr. HAAS. He was working for a commission merchant.

Mr. MOSER. You went to all the places in Phoenix at the time you were there?

Mr. HAAS. All the places, restaurants, and places of that kind.

Mr. MOSER. Any places that would have had slot machines?

Mr. HAAS. Yes, sir. I never saw one in the 5 weeks I spent there.

Mr. MOSER. Were there gambling casinos?

Mr. HAAS. Not that I know of.

Mr. MOSER. Or any bookie joints?

Mr. HAAS. That I don't know. I don't play horses.

Mr. BECKER. Can we get a copy of the transcript, Counsel?

Mr. NELLIS. You may ask the chairman.

The CHAIRMAN. Mr. Haas may have a copy of the transcript, it can be purchased with the strict understanding that it is for your use only.

Mr. BECKER. Very well. My address is 1 Wall Street, New York.

Mr. HAAS. Before I go, would you be good enough to notify the sergeant-at-arms that I am released?

Mr. BECKER. So that we can get the \$3,000 back.

The CHAIRMAN. Off the record.

(Discussion off the record.)

The CHAIRMAN. On the record.

All right, will you call your next witness.

Mr. NELLIS. Our next witness will be Morris Wexler.

The CHAIRMAN. Your name is Morris Wexler?

Mr. WEXLER. That is right.

The CHAIRMAN. Mr. Wexler, we are in executive session, and only those present are members of the committee or the staff. You, of course, are welcome to have your counsel or anybody you desire to have, and I assume that these gentlemen are with you?

Mr. WEXLER. Yes, sir.

The CHAIRMAN. According to the usual practice you will be sworn. You don't object to being sworn?

Mr. WEXLER. Not at all.

The CHAIRMAN. Will you raise your right hand, please.

In the presence of the Almighty God, do you swear that the testimony you are about to give shall be the truth, the whole truth, and nothing but the truth?

Mr. WEXLER. I do.

The CHAIRMAN. Now, for the record, may we identify these other gentlemen?

Mr. FEIGHAN. My name is John T. Feighan, Jr., and my address is 722 National City Bank, Cleveland, Ohio.

The CHAIRMAN. And you are a member of the bar?

Mr. FEIGHAN. Yes, sir.

The CHAIRMAN. And your name, sir?

Mr. McCORMACK. Martin A. McCormack, 1202 Engineers Building, Cleveland.

The CHAIRMAN. And you are also a member of the bar?

Mr. McCORMACK. Yes, sir.

The CHAIRMAN. And you both are representing Mr. Wexler?

Mr. FEIGHAN. Yes, sir.

Mr. McCORMACK. Yes, sir.

The CHAIRMAN. Very well.

TESTIMONY OF MORRIS WEXLER, CLEVELAND, OHIO, ACCOMPANIED  
BY JOHN T. FEIGHAN, JR., AND MARTIN A. McCORMACK, ATTOR-  
NEYS, CLEVELAND, OHIO

The CHAIRMAN. All right, Mr. Nellis, you may proceed.

Mr. NELLIS. Will you give us your full name, please?

Mr. WEXLER. Morris Wexler.

Mr. NELLIS. Morris Wexler.

Mr. WEXLER. Yes.

Mr. NELLIS. Are you known by any other name?

Mr. WEXLER. Yes, "Mushy."

Mr. NELLIS. M-u-s-h-y?

Mr. WEXLER. That is the closest way to spell it.

Mr. NELLIS. What is your address, Mr. Wexler?

Mr. WEXLER. 1635 Eiderdale Road, Cleveland Heights, Ohio.

Mr. NELLIS. And your business address?

Mr. WEXLER. 715 Vincent Avenue. That is the business of the  
Theatrical Grill, which is my business.

Mr. NELLIS. Any other business address?

Mr. WEXLER. Chester and Ninth Building. At one time that was  
my address. I have not been using that office.

Mr. NELLIS. That is the address of the Empire News Co.?

Mr. WEXLER. That is right.

Mr. NELLIS. Of which you are president?

Mr. WEXLER. Well, I am one of the owners and I run the business.

Mr. NELLIS. Is it a corporation?

Mr. WEXLER. No, sir.

Mr. NELLIS. Or a partnership?

Mr. WEXLER. A partnership.

Mr. NELLIS. Let's get that on the record. Who are your partners  
in that?

Mr. WEXLER. Sam Miller and Robert Kaye.

Mr. NELLIS. Sam Miller is known as "Gameboy"?

Mr. WEXLER. Yes, sir.

Mr. NELLIS. They are the same individuals?

Mr. WEXLER. Yes, sir.

Mr. NELLIS. All right. Mr. Wexler, when did you leave Cleveland  
during the month of December 1950?

Mr. WEXLER. I left in October.

Mr. NELLIS. Were you not in Cleveland during the month of Decem-  
ber 1950?

Mr. WEXLER. December?

Mr. NELLIS. Yes; just before Christmas, Mr. Wexler.

Mr. WEXLER. I might have stopped—I might have stopped there  
and picked up something. I came back. I don't know whether it was  
December. It could have been in the latter part of November or the  
early part of December; I am not sure.

Mr. NELLIS. And when did it first come to your attention that this  
committee of the United States Senate was seeking your presence in  
a hearing?

Mr. WEXLER. While I was away, I was told, and I read that there  
was a subpoena going to be served on me.

Mr. NELLIS. When was that, Mr. Wexler?

Mr. WEXLER. Well, it was in December.

Mr. NELLIS. It was in December; was it not?

Mr. WEXLER. I think it was the latter part of December.

Mr. NELLIS. What did you do when that information came to your notice?

Mr. WEXLER. I didn't do anything. Wherever I was, I just stayed. I was scared to come back, that is all.

Mr. NELLIS. Where were you?

Mr. WEXLER. Well, I was at that particular time in Florida.

Mr. NELLIS. Where in Florida?

Mr. WEXLER. Miami Beach, and I was also in Hollywood and Palm Beach. I visited some friend.

Mr. NELLIS. Where did you stay, at a hotel?

Mr. WEXLER. I stayed at a hotel, or an apartment rather than a hotel.

Mr. NELLIS. What was the name of the place?

Mr. WEXLER. The Surf and Sand Apartments, but I think that was around the middle of January that I stayed there.

Mr. NELLIS. That was when the hearings were going on in Cleveland; is that right?

Mr. WEXLER. Well, they could have been going on right at that time.

Mr. NELLIS. Who were some of the friends you stayed with while you were in Florida?

Mr. WEXLER. I will have to refuse to answer that and stand on my constitutional rights.

Mr. NELLIS. You refuse to answer as to who you stayed with?

Mr. WEXLER. Yes, sir.

Mr. NELLIS. On what grounds?

Mr. WEXLER (counsel talking with witness). It may incriminate me.

Mr. NELLIS. It may what?

Mr. WEXLER (counsel talking to witness). It may incriminate me.

Mr. NELLIS. Of what?

Mr. MOSER. Just a moment. Mr. Chairman, if he wants time to consult with his attorneys, I am sure that you will not object, will you?

The CHAIRMAN. No, indeed.

Mr. WEXLER. Well, I was indicted years ago on a lottery indictment in the same business I am in now.

Mr. NELLIS. What do you mean by the same business?

Mr. WEXLER. In the news business.

Mr. NELLIS. Was that the indictment with Russell Brophy?

Mr. WEXLER. Well, I don't know who was in there. I was indicted.

Mr. NELLIS. Was William Molasky of St. Louis in that?

Mr. WEXLER. I know there was a lot of people indicted. I don't remember who.

Mr. NELLIS. You were indicted, but you don't know who you were indicted with and for what?

Mr. WEXLER. I was indicted on a lottery charge.

Mr. NELLIS. In what court?

Mr. WEXLER. In the Federal court in Chicago.



Mr. NELLIS. Yes; and how many years ago was that?

Mr. WEXLER. Here is this indictment [handing document to counsel].

Mr. NELLIS. Yes; I am familiar with this, but I am trying to get you to tell me how long ago it was.

Mr. McCORMACK. May that be made a part of the record at our request?

The CHAIRMAN. Yes. We will have it introduced and marked as an exhibit.

Counsel, I understand you wish it marked as an exhibit in the case?

Mr. McCORMACK. Yes.

The CHAIRMAN. That will be done.

(The document referred to above was marked "Wexler Exhibit No. 1" and is as follows:)

IN THE DISTRICT COURT OF THE UNITED STATES OF AMERICA FOR THE NORTHERN DISTRICT OF ILLINOIS, EASTERN DIVISION. OF THE FEBRUARY TERM, IN THE YEAR 1940

The Grand Jurors of the United States of America, duly empaneled and sworn in the District Court of the United States for the Eastern Division of the Northern District of Illinois in the February Term of the said court in the year 1940, having begun but not finished during the said February term of court, among other things, an investigation of the matters charged in this indictment, and having duly continued to sit by orders of this court in and for the said Division and District during the March and April terms of the said court for the purpose of finishing investigations begun but not finished during the said February term of court, and continued but not finished during the said March term of court, the said investigation of the matters charged in this indictment not having been finished in the said March term of court, such orders having been duly made pursuant to the requests of the United States Attorney and upon the motion of the said Grand Jury, and inquiring for the said Division and District at the April term of the said court in the year 1940, upon their oaths present and charge that—

James M. Ragen, Sr.,

Arthur E. McBride, otherwise known as Arthur McBride, sometimes doing business as Continental Press Service,

Lionel C. Lenz,

Thomas F. Kelly,

Thomas J. Ryan, alias Frank Walsh,

Russell L. Brophy, sometimes doing business as Los Angeles Journalist Publishing Company,

William G. O'Brien, alias Walter Keough,

William Molasky, sometimes doing business as St. Louis Scratch Sheet and St. Louis Scratch Sheet Publishing Company,

Morris Kopit, sometimes known as "Flowers" Kopit,

Morris Wexler, sometimes doing business as Empire News Service and Empire Advertising Company,

Alfred J. Goodman, sometimes doing business as Metropolitan Scratch Sheet, Western Union Telegraph Company, a corporation organized and existing by virtue of the laws of the State of New York,

defendants herein, whose full and true names other than as herein stated are unknown to the Grand Jurors, heretofore knowingly, willfully, feloniously, and unlawfully conspired, combined, confederated, and agreed together and with each other and with divers other persons to the Grand Jurors unknown, at a time and times and at a place and places unknown to the Grand Jurors, except as hereinafter stated and described, and continued thereafter to conspire, combine, confederate, and agree together and with each other and with the said other persons, throughout the period beginning about October 25, 1939, and to and including the date of the return of this indictment, in the City of Chicago, State of Illinois, in the Northern District of Illinois, and within the jurisdiction of this court, knowingly, willfully, feloniously, and unlawfully to commit offenses against the United States, to wit, to carry from certain states of the United

States to other states of the United States, and to a foreign country, lists of the prizes awarded by means of certain lottery schemes offering prizes dependent upon chance, in violation of Section 237 of the Criminal Code of the United States: in the manner and for the purposes hereinafter set forth, and more particularly as follows, that is to say:

That, as the defendants and each of them then and there well knew and agreed, lottery schemes offering prizes dependent upon chance were then, had been for a long time and would thereafter be, in operation in various States of the United States the operators of which said schemes required, to enable them to operate their said schemes, prompt, accurate, and complete information concerning the running of horse races at race tracks in various States of the United States, including States other than those in which the said lottery schemes were, or would be, operated, as hereinafter set forth, and that the said operators would, and they did, pay as the prizes awarded by means of their said lottery schemes, as hereinafter set forth, sums of money identical with the combinations of figures known as "mutuels" or other closing prices payable at the said race tracks and that the said figures would, and did, constitute the prizes awarded by means of the said lottery schemes and that the said operators would, and they did, require for the operation of their said schemes that lists of the said prizes so awarded should be promptly and accurately carried to the said lottery scheme operators in the State's wherein the said lottery schemes were so operated;

That the defendants and each of them did then and there and as part of the said conspiracy undertake, plan, and contrive to gather and cause to be gathered by various means, in large part surreptitious, wrongful and fraudulent, the information and data necessary to the operation of the said lottery schemes and originating at various race tracks in the United States and concerning the horse races run thereat, including the "mutuels" and other prices payable thereat, as herein described, and to carry and cause to be carried the said information and data from the said race tracks as promptly as possible to places from which such information and data might be thereupon promptly and accurately carried by means of communications facilities under the control and operation of the said defendants or their agents for the said purpose into the various States wherein the said lottery schemes were or should be operated as herein described; and further that communications facilities would be obtained from the various persons and public service corporations providing such facilities and in large part from the defendant Western Union Telegraph Co., and that the defendant Western Union Telegraph Co. would, and it did, provide such facilities for the purposes of the said conspiracy, combination, confederation, and agreement, in the form of telephone, telegraph, ticker, teleprinter, telemeter, teletypewriter, and other communications devices for the rapid and accurate carriage of the said information, including the said lists of prizes, the said communications facilities comprising an interstate and international network; and that arrangements would be made, and they were made, with lottery scheme operators in various States of the United States to carry to them for their respective lottery schemes the information and data, including lists of prizes as aforesaid, from the various States through which the said information and lists of prizes were so carried, and for the mode and method of payment therefor;

That the said defendants, as part of the said conspiracy, planned, undertook, and contrived that the defendant McBride would, and he did, in association with the defendants herein other than the defendant Western Union Telegraph Company, purport and pretend to engage, under the name of Continental Press Service, in the business of disseminating racing news for publication in sheets commonly known as "scratch sheets" and to induce or cause, and they did induce and cause, persons disseminating and carrying such news in behalf or for the account of the said Continental Press Service to purport and pretend to publish such "scratch sheet," and the said defendants further undertook, planned, and contrived, as aforesaid, that operators of the said lottery schemes would be induced to purport and pretend to purchase such scratch sheets upon the condition and representation and for the consideration that they would be entitled to receive promptly and accurately from the defendants or their agents for that purpose by means of the communications facilities afore-mentioned the information and data required by the said operators as aforesaid, including lists of prizes as aforesaid; and the said defendants, as part of the said conspiracy, did plan and undertake to construct, maintain, provide, and operate the said network of communications facilities so as to cover thereby many States of the United States as well as the Dominion of Canada and so as to extend from one State of the United States into another, and into the Dominion of Canada, and to

carry such information and data, including the aforesaid lists of prizes, from one State to another and to the Dominion of Canada, contriving that operators of lottery schemes in various States of the United States and in Canada, to the operation of which the aforesaid information and data were necessary and integral parts as herein stated, might receive such information and data by "drops," relay, and similar devices used in carriage by telephone, telegraph, ticker, teleprinter, telemeter, teletypewriter, and similar communications facilities; and it was planned, undertaken, intended, and contrived that, while apparently unorganized and unrelated in the segments and circuits thereof, the total of segments and circuits was to constitute, and did constitute, a single, unified, correlated, and integrated network for the carriage from one State into another and to the Dominion of Canada of the aforesaid information and data, including lists of prizes awarded by means of the lottery schemes operating in the said several States and the Dominion of Canada, and while apparently operating as an agency for the collection and dissemination of racing news for publications, it was to be and was in truth and in fact a scheme to carry information and data as aforesaid and, however simulated and pretended, the motive, purpose, and intention of the said defendants was to cause the said lottery scheme operators to pay to the said defendants or their agents large sums of money in consideration of the said carriage to or for the account of the said lottery scheme operators of the information and data, including lists of prizes awarded by means of the said lottery schemes, as herein stated, all for the profit of the said defendants;

And the defendants undertook, planned, and contrived, as part of the said conspiracy, combination, confederation, and agreement, that the said lottery scheme operators would pay, as the consideration for the carriage of the information and data, including lists of prizes as aforesaid, money dependent in amount upon the profits made by the said lottery scheme operators from the operation of their said schemes, the greater the profits of the said lottery scheme operators the larger the amounts payable by them;

That, as part of the said conspiracy, combination, confederation, and agreement, it was planned and undertaken by the defendants and each of them that the defendant Ragen would, and he did, supervise and direct the activities of each of the other defendants herein in the said conspiracy, combination, confederation, and agreement; that the defendant McBride would, and he did, under the title and trade name of Continental Press Service, assume the financial and directional control of the said activities of the defendants from the City of Cleveland, in the State of Ohio, opening an office for such purpose in the said city under the said name; that the defendant Lenz would, and he did, assume direction of the technical and mechanical functions of gathering and communicating the information and data above mentioned; that the defendant Kelly would, and he did, assume the function of entering into arrangements with lottery scheme operators and collecting compensation on account of the defendants' services; that the defendants Western Union Telegraph Company, Molasky, Kopit, Wexler, Brophy, Ryan, and O'Brien, singly and together, with the assistance and collaboration of the defendant Lenz, would, and they did, provide the communications facilities network above mentioned by using applications to be made and to be accepted therefor, and payments to be made, and to be received and accepted on account thereof, to persons and public service corporations providing such communications facilities, including the defendant Western Union Telegraph Company; and, further, as part of the said conspiracy, that the defendant Western Union Telegraph Company would, and it did, provide for the purposes of the said conspiracy, a continuous, unified, correlated, and integrated communications facilities network for the carriage of communications by Morse telegraph, comprised of leased circuits extending through many states of the United States and feeding, for the purpose of relay and further carriage, leased ticker, telemeter, and teleprinter circuits covering additional areas of the United States, and Canada, by interstate carriage, and both said Morse and ticker circuits further integrating with local and long distance telephones, teletypewriter circuits and other facilities, so that while purporting and pretending to lease the said circuits in segments to single individuals the same would be so interconnected and unified, by means of switches, loops, and similar devices provided by the defendant Western Union Telegraph Company as to constitute the said single communications network as aforesaid over which the information and data, including lists of prizes, could, would be, and they were, carried as aforesaid; and that territorial allocation would be, and it was, made among the conspirators, the territory in and near Ohio being allocated to Wexler, the territory in and near the Pacific Coast to Brophy, the

territory in and near New York City to Ryan, the territory in and near Missouri and Illinois to Molasky and Kopit, the territory in and near Florida to O'Brien;

And the grand jurors aforesaid, upon their oaths aforesaid, do further say that the defendants and each of them at all the times herein mentioned well knew, intended, undertook, and planned, and it was an essential part of the said conspiracy, combination, confederation, and agreement, that the said lottery scheme operators would, and they did, operate, own, and conduct lottery schemes offering prizes dependent upon chance at various places throughout the United States and Canada, and that the said lottery schemes and each of them would, and they did, consist of and contain as essential parts thereof the elements of chance, consideration, and prize, the prizes awarded by means of the said lottery schemes being, and they were, the combinations of figures known as "mutuels prices" or closing odds for each race run at various race tracks operating in various states of the United States; and it was further intended that the payment of such prizes so awarded by means of each said lottery scheme should be made promptly upon the receipt of the list thereof, carried, as promptly as possible after the same should be determined, by the defendants from the said race tracks or other places at which such information should be gathered or received by the said defendants over the various communication facilities available and suitable for such purpose, including telephone, telegraph, ticker, teleprinter, telemeter, teletypewriter, and other communications devices, and made known and audible to each said operator or his employee for such purpose and to the purchasers and prospective purchasers in each said lottery scheme by the various appropriate devices, including sound amplified and loud speaker;

And the essential character and purpose of each said lottery scheme and the component parts thereof being, and the schemes being contrived and operated, as the defendants and each of them well knew and intended, to assure profit to themselves as well as to the operators of said lottery schemes, which profit was to be and was derived from an excess of consideration received from the persons induced to purchase tickets in the said lottery schemes over the prizes paid therein to the persons entitled to receive prizes in accordance with the list thereof awarded by means of the said lottery schemes and carried by the defendants. The method of operation of each said lottery scheme was contrived and intended to be, as the said defendant and each of them at all times herein mentioned knew, and was, as follows:

That each operator of a lottery scheme was to induce, and he did induce, as many persons as possible, by divers appeals to their cupidity, to purchase tickets for a consideration to be then and there paid, the said tickets to be purchased from and the said consideration to be paid to the said operator or his agent for that purpose upon the promise, representation, and consideration that each such purchaser or holder of a ticket would be entitled thereby to receive, and he would thereby receive, from the said operator or his agent a chance to win a certain prize or prizes in money dependent upon the outcomes of certain horse races about to be run at certain race tracks as aforesaid, the said prizes to be further dependent for their amounts upon other numerous elements of chance, some of which are hereinafter described:

Upon the purchase of each of the said tickets as aforesaid, the respective purchaser would, and did, designate one or more horses entered in one or more races thereafter to be run at the race tracks aforementioned and signified a position for each of the horses so designated in the finish of the respective races so designated, such as first (sometimes called "win" or "straight") or second (sometimes called "place") or third (sometimes called "show"), or certain combinations of positions called "across the board," "parlays," "quinellas," and "daily doubles," all of which said designations were then and there caused to be transcribed and written upon the said tickets by the said operator or his ticket seller;

Payments to purchasers of winning tickets were to be, and were, made upon the receipt of the list of prizes awarded by means of each said scheme and carried by the defendants, as aforesaid.

The purpose of assuring profit to each said lottery scheme operator as well as income to the defendants herein, as herein set forth, was to be, and was achieved, and the said schemes were, as the defendants then and there well knew, so contrived and intended, by reducing or eliminating as many as possible of the elements of risk militating against the making of profit by the said operators and introducing as many as possible elements of chance in connection with the designations and purchases by the said purchasers.

Among the elements of chance upon which the prizes paid to the said purchasers of tickets were, as part of the said scheme, made to, and did, depend were:

1. The conduct and physical condition of the horse designated by the said purchaser, which conduct and physical condition were to be determined by circumstances and factors beyond the control, and beyond the knowledge, of the said purchaser;

2. The separate conduct and physical condition of each of the horses competing with the horse so designated, which conduct and condition were to be determined by circumstances and factors beyond the control, and beyond the knowledge, of the said purchaser;

3. The separate conduct, motives, purposes, and physical and mental conditions of the jockeys, owners, trainers, and other persons concerned with the running of the horse so designated and of the competing horses, which conduct, motives, purposes, and physical and mental conditions were to be determined by circumstances and factors beyond the control, and beyond the knowledge, of the said purchaser;

4. The state of the weather and the race tracks and the effect on each or any of the competing horses, which were to be determined by circumstances and factors beyond the control, and beyond the knowledge, of the said purchaser.

The remaining factors and circumstances constituting elements of chance characterizing the said lottery schemes are too numerous to be mentioned herein.

Among the various means and devices, as the defendants then and there well knew, intended, and contrived, assuring such excess of profit as aforesaid were:

1. The multiplicity of races run, upon the respective outcomes of which the payment of prizes depended;

2. The diversity and multiplicity of the events in the said races, known as "place," "show," "parlay," "daily double," "quinella," "across the board," and other combinations of events in such races;

3. The excess with regard to each race concerned in the purchasing of tickets and the payment of prizes of possible losing designations over possible winning designations, the greater the total number of designations, signified by the number of horses entered in each such race, the greater the assurance of profit;

4. The dependence of the payment of prizes upon the payment of prizes at the respective race tracks, which payments in turn were devised, and known by the said defendants to be devised, to guarantee a profit to the awarders of such prizes at the said tracks in varying amounts of, to wit, from about seven to about ten per cent of the total consideration received at the respective tracks upon the respective races;

5. The "hedging," "re-insuring," or "laying-off" of excess risks by each said lottery scheme operator with other lottery scheme operators, bookmakers, betting commissioners, or parimutuel race track operators, relieving the said lottery scheme operator from loss in the event of any ticket purchaser's becoming entitled to receive a larger amount by way of prize than consistent with the said lottery scheme operator's making a profit upon his said business;

6. The limitation of risk by refusing, and refraining from accepting, from any single purchaser a consideration in amount so large that the payment of the referable prize to be awarded would be larger than consistent with a profit upon the total business handled and the total moneys received;

7. The limitation of risk by the diversification and spreading of designations among horses, races, race tracks, and combinations by the dissemination among prospective purchasers of a multitude of diverse and contradictory predictions, opinions, and alleged information, recommending designations of particular horses, known as tips and handicapping, known to the said defendants and to the said operators of each said scheme to be largely inadequate, misleading, and essentially unreliable, and, if followed by purchasers in making purchases, to tend to yield a profit to the operators of each said scheme, as well as to the defendants, and a failure on the purchasers' parts to obtain any prize; the said contradictory predictions, opinions, and alleged information being contained in large part in certain periodicals published and distributed for use by purchasers and prospective purchasers in the said lottery schemes, as the defendants and each of them at all times well knew, such as racing forms, scratch sheets, and similar publications.

The remaining factors and circumstances constituting means and devices assuring such excess of profit are too numerous to be mentioned herein; and the elements of chance above-mentioned were intended to be, and were, effective as means and devices for assuring profit to the operators as aforesaid and

the means and devices for assuring such profit, as above-mentioned, were intended to be, and were, effective as elements of chance in each said lottery scheme.

And the Grand Jurors aforesaid, upon their oaths aforesaid, do further present and charge that to effect the purpose and object of the said conspiracy, combination, confederation, and agreement the said defendants knowingly, willfully, feloniously, and unlawfully did, and did cause to be done, the following acts, to wit:

#### OVERT ACTS

1. On or about October 27, 1939, A. C. Cronkhite, in the City of Chicago, State of Illinois, sent a certain telegram to B. D. Barnett, in the City of New York, State of New York, reporting that Nationwide News Service, Inc., requested cancellation of all leased-wire service furnished to Nationwide News Service, Inc., and its subsidiary companies effective November 1, 1939.

2. On or about November 3, 1939, one John J. Gorman applied to the Indiana Bell Telephone Company, Indianapolis, Indiana, for the installation of six telephones, thereafter designated as Riley 4381, 4382, 4383, 4384, 4385, and 4386, in Room 811, Lemcke Building, in the City of Indianapolis, Indiana.

3. On or about November 3, 1939, one John J. Gorman applied to the Indiana Bell Telephone Company, Indianapolis, Indiana, for the installation of three telephones, thereafter designated as Riley 3846, 6060, and 8272, in Room 1039, Lemcke Building, in the City of Indianapolis, Indiana.

4. On or about November 4, 1939, the defendant Brophy made application to the defendant Western Union Telegraph Company at Los Angeles, California, for telemeter service to the Teleflash Loudspeaker Corporation, Room 729, 431 South Dearborn Street, Chicago, Illinois.

5. On or about November 10, 1939, the defendant Western Union Telegraph Company approved and placed in service telemeter service between the Los Angeles Journalist Publishing Company, Los Angeles, California, and the Teleflash Loudspeaker Corporation, Room 729, 431 South Dearborn Street, Chicago, Illinois.

6. On or about November 13, 1939, in the City of Chicago, State of Illinois, within the Northern District of Illinois, and within the jurisdiction of this court, one Willard T. Lenz, applied to the Illinois Bell Telephone Company for the installation of two telephones, thereafter designated as Wabash 7928 and 8839, in Room 1514, Fisher Building, 343 South Dearborn Street, in the City of Chicago.

7. On or about November 15, 1939, in the City of Chicago, State of Illinois, within the Northern District of Illinois, and within the jurisdiction of this court, one Willard T. Lenz applied to the Illinois Bell Telephone Company for the installation of two telephones, thereafter designated as Wabash 1623 and 8941, in Room 1514, Fisher Building, 343 South Dearborn Street, in the City of Chicago.

8. On or about November 15, 1939, the defendant Kelly caused a letter to be sent to Mr. C. G. Hickeox, Superintendent, Western Union Telegraph Company, 108 East Baltimore Street, Baltimore, Maryland, applying for the installation of leased wire ticker service between Elkridge, Maryland, and certain locations in the states of Maryland, Virginia, North Carolina, South Carolina, and Georgia.

9. On or about January 25, 1940, a written application for special contract service from the Western Union Telegraph Company for a single Morse circuit with stations at Elkridge, Maryland, 1 North Presbyterian Avenue, Atlantic City, New Jersey, and the York Publishing Company, Union City, New Jersey, was made, signed "Howard Sports Daily, Inc., applicant, by H. E. Bilson, Gen. Manager," at Baltimore, Maryland.

10. On or about January 26, 1940, the defendant Western Union Telegraph Company by T. W. Carroll accepted in writing the next above-mentioned application of the Howard Sports Daily, Inc.

11. On or about December 1, 1939, a written application for special contract service from the Western Union Telegraph Company for a single Morse circuit with connection at the York Publishing Company, Jersey City, New Jersey; Providence Sporting News Company, Providence, Rhode Island; Trojan Publishing Company, Troy, New York; Salt City Distributing Company, Syracuse, New York; and Monroe Scratch Bulletin, Rochester, New York, was made, signed "M. J. Madden News Co. for Providence Sporting News, Co., applicant, by Joseph P. Lewis, Rep."

12. On or about December 19, 1939, the defendant Western Union Telegraph Company by J. C. Willever accepted in writing the next above-mentioned application signed "M. J. Madden News Co. for Providence Sporting News Co."

13. On or about December 1, 1939, a written application for special contract service from the Western Union Telegraph Company for a ticker-operated circuit with stations in the states of Rhode Island, Connecticut, and Massachusetts was made, signed "M. J. Madden News Co. for Providence Sporting News Co., applicant, by Joseph P. Lewis, Rep."

14. On or about December 19, 1939, the defendant Western Union Telegraph Company by J. C. Willever accepted in writing the next above-mentioned application signed "M. J. Madden News Co. for Providence Sporting News Co."

15. On or about December 1, 1939, the defendant Western Union Telegraph Company extended the Providence Sporting News Company's Providence-Troy-Syracuse-Rochester Western Union single Morse circuit to the Bison Sports News at Buffalo, New York.

16. On or about December 7, 1939, a written application for special contract service from the Western Union Telegraph Company for a ticker circuit with stations located in the state of Massachusetts was made, signed "Metropolitan Scratch Sheet, applicant, by P. R. Elwell (Mgr)" at Providence, Rhode Island.

17. On or about January 8, 1940, the defendant Western Union Telegraph Company by J. C. Willever accepted in writing the next above-mentioned application of the Metropolitan Scratch Sheet.

18. On or about December 7, 1939, a written application for special contract service from the Western Union Telegraph Company for a single Morse circuit between Buffalo, New York, and Youngstown, Ohio, was made, signed "William N. Hamilton, applicant," at Youngstown, Ohio.

19. On or about December 13, 1939, the defendant Western Union Telegraph Company by J. C. Willever accepted in writing the next above-mentioned application of William N. Hamilton.

20. On or about December 7, 1939, a written application for special contract service from the Western Union Telegraph Company for single, high speed teleprinter service with drops at designated locations in the state of Ohio was made, signed "William N. Hamilton, applicant," at Youngstown, Ohio.

21. On or about December 13, 1939, the defendant Western Union Telegraph Company by J. C. Willever accepted in writing the next above-mentioned application of William N. Hamilton.

22. On or about December 28, 1939, a written application for special contract service from the Western Union Telegraph Company for a single Morse circuit between Youngstown, Ohio, and Indianapolis, Indiana, was made, signed "William N. Hamilton, applicant," at Youngstown, Ohio.

23. On or about January 8, 1940, the defendant Western Union Telegraph Company by J. C. Willever accepted in writing the next above-mentioned application of William N. Hamilton.

24. On or about January 1, 1940, a supplemental written application for special contract service from the Western Union Telegraph Company for single, high speed teleprinted service with drops at designated locations in the state of Ohio was made, signed "William N. Hamilton, applicant," at Youngstown, Ohio.

25. On or about January 15, 1940, the defendant Western Union Telegraph Company by J. C. Willever accepted in writing the next above-mentioned application of William N. Hamilton.

26. On or about December 5, 1939, an application for special contract service from the Western Union Telegraph Company for an S-A ticker circuit with drops at designated locations in the states of Ohio, West Virginia, and Maryland was made by H. F. Crowley at Steubenville, Ohio.

27. On or about December 5, 1939, the next above-mentioned application of H. F. Crowley was accepted and service was begun by the defendant Western Union Telegraph Company.

28. On or about January 23, 1940, a written application for special contract service from the Western Union Telegraph Company for a single, high speed teleprinter circuit from Detroit, Michigan, to Toledo, Ohio, was made, signed "Consolidated News Co., applicant, by P. J. Walsh, Mgr.," at Detroit, Michigan.

29. On or about January 29, 1940, the defendant Western Union Telegraph Company by J. C. Willever accepted in writing the next above-mentioned application of the Consolidated News Company.

30. On or about January 2, 1940, a written application for special contract service from the Western Union Telegraph Company for single, high speed teleprinter service with drops at designated locations in the state of Indiana was made, signed "Capitol City Pub. Co., applicant, by J. J. Gorman, Mgr.," at Indianapolis, Indiana.

31. On or about January 8, 1940, the defendant Western Union Telegraph Company by J. C. Willever accepted the next above-mentioned application of the Capitol City Publishing Company.

32. On or about December 20, 1939, a written application for special contract service from the Western Union Telegraph Company for a Morse leased wire from Indianapolis, Indiana, to Memphis, Tennessee, with drops at St. Louis and Kansas City, Missouri, was made, signed "St. Louis Scratch Sheet Publishing Company, applicant, Morris Kopit, Partner," at St. Louis, Missouri.

33. On or about January 8, 1940, the defendant Western Union Telegraph Company by J. C. Willever accepted in writing the next above-mentioned application of the St. Louis Scratch Sheet Publishing Company.

34. On or about January 15, 1940, a written application for special contract service from the Western Union Telegraph Company for a commercial leased wire connecting Des Moines, Iowa; Omaha and Lincoln, Nebraska; St. Joseph, Kansas City, and Joplin, Missouri; and Wichita, Kansas; was made, signed "Eagle Scratch Sheet Publishing Company, applicant, Simon Partnoy, Agt.," at Kansas City, Kansas.

35. On or about January 23, 1940, the defendant Western Union Telegraph Company by J. C. Willever accepted in writing the next above-mentioned application of the Eagle Scratch Sheet Publishing Company.

36. On or about January 15, 1940, a written application for special contract service from the Western Union Telegraph Company for a single, high speed teleprinter circuit with drops at designated locations in the states of Iowa and Illinois was made, signed "Charles J. Peck, applicant," at Moline, Illinois.

37. On or about January 23, 1940, the defendant Western Union Telegraph Company by J. C. Willever accepted in writing the next above-mentioned application of Charles J. Peck.

38. On or about December 9, 1939, a written application for special contract service from the Western Union Telegraph Company for leased ticker service with drops at designated locations in the states of Mississippi and Arkansas was made, signed "Tri State Publishing Co., applicant, by Geo. H. Sullivan, Mgr.," at Memphis, Tennessee.

39. On or about December 15, 1939, the defendant Western Union Telegraph Company by J. C. Willever accepted in writing the next above-mentioned application of the Tri State Publishing Company.

40. On or about December 9, 1939, the application for special contract service from the Western Union Telegraph Company for leased ticker service with drops at designated locations in Mississippi and Arkansas was supplemented, signed "Tri State Publishing Co., applicant, by Geo. H. Sullivan, Mgr.," at Memphis, Tennessee, and included drops at designated locations in the states of Kentucky, Tennessee, Missouri, and Alabama.

41. On or about December 15, 1939, the defendant Western Union Telegraph Company by J. C. Willever accepted in writing the next above-mentioned supplemental application of the Tri State Publishing Company.

42. On or about December 21, 1939, a written application for special contract service from the Western Union Telegraph Company for private ticker leased wire from Memphis, Tennessee, to New Orleans, Louisiana, including drops at Shreveport, Lake Charles, and New Iberia, Louisiana, and Biloxi, Mississippi, was made, signed "Crescent City Publishing Company, applicant, by J. J. Fogarty, owner," at New Orleans, Louisiana.

43. On or about January 8, 1940, the defendant Western Union Telegraph Company by J. C. Willever accepted in writing the next above-mentioned application of the Crescent City Publishing Company.

44. On or about January 6, 1940, a written application for special contract service from the Western Union Telegraph Company for ticker service between Shreveport, Louisiana, and Fort Worth, Texas, was made, signed "Premier Publishing Company, applicant, by J. L. Montgomery, Owner," at Fort Worth, Texas.

45. On or about January 10, 1940, the defendant Western Union Telegraph Company by C. J. Ince accepted in writing the next above-mentioned application of the Premier Publishing Company.

46. On or about December 21, 1939, a written application for special contract service from the Western Union Telegraph Company for private ticker leased wire between Lake Charles, Louisiana, and Galveston, Texas, was made, signed "Galveston Press Publishing Company, applicant, by Sam Serio, Owner," at Galveston, Texas.



47. On or about December 27, 1939, the defendant Western Union Telegraph Company by C. J. Ince accepted in writing the next above-mentioned application of the Galveston Press Publishing Company.

48. On or about December 22, 1939, a written application for special contract service from the Western Union Telegraph Company for one duplex, low speed telemeter circuit connecting the offices of the Western Union Telegraph Company at Chicago, Illinois, with the offices of the Continental Press, Indianapolis, Indiana, and the Los Angeles Journalist, Los Angeles, California, was made, signed "L. A. Journalist Pub. Co., applicant, by R. L. Brophy, Owner," at Los Angeles, California.

49. On or about January 3, 1940, the defendant Western Union Telegraph Company by J. C. Willever accepted in writing the next above-mentioned application signed "L. A. Journalist Pub. Co."

50. On or about January 15, 1940, a written application for special contract service from the Western Union Telegraph Company for a single, high speed teleprinter circuit connecting Seattle, Washington; Tacoma, Washington; Portland, Oregon; Vancouver, British Columbia; and Victoria, British Columbia; was made, signed "Northwest News Co., applicant, by G. W. Johnston, Manager," at Seattle, Washington.

51. On or about January 23, 1940, the defendant Western Union Telegraph Company by J. C. Willever accepted in writing the next above-mentioned application of the Northwest News Company.

52. On or about March 25, 1940, the defendants Molasky and Kopit carried news concerning horse races by telephone from St. Louis, Missouri, to the lottery scheme establishments of Vic Doyle in East St. Louis, Illinois.

53. On or about March 25, 1940, the defendants Molasky and Kopit carried news concerning Horse races by telephone from St. Louis, Missouri, to the lottery scheme establishment of Fritz and Dwyer in East St. Louis, Illinois.

54. On or about March 25, 1940, the defendants Molasky and Kopit carried news concerning horse races by telephone from St. Louis, Missouri, to the lottery scheme establishment of Ray Nash in East St. Louis, Illinois.

Against the peace and dignity of the United States of America, and contrary to the form of the statute in such case made and provided. (Sec. 37, C. C.; Sec. 88, Title 18, U. S. C.)

WILLIAM J. CAMPBELL,  
*United States Attorney.*

Mr. NELLIS. I don't think you have explained to the satisfaction of the chairman in what way it would incriminate you to tell us who you stayed with.

Mr. WEXLER. I have to refuse to answer and stand on the grounds that it may incriminate me.

Mr. NELLIS. Of a Federal offense?

Mr. WEXLER. Of a Federal offense.

Mr. NELLIS. What offense?

Mr. WEXLER (conferring with counsel). I refuse to answer.

Mr. McCORMACK. On the same grounds.

Mr. NELLIS. Where did you go after you left Florida?

Mr. WEXLER. After I left Florida?

Mr. NELLIS. Yes.

Mr. WEXLER. I went to Pittsburgh.

Mr. NELLIS. And where did you stay in Pittsburgh?

Mr. WEXLER. I stayed at a hotel, it is a hotel out—I forget the name—it is out of the city, I don't remember the name.

Mr. NELLIS. Did you stay with any friends in Pittsburgh?

Mr. WEXLER. No, sir. I stayed at this hotel.

Mr. NELLIS. How many friends did you stay with in Florida, going back to Florida?

Mr. WEXLER. I refuse to answer that on the ground that it may incriminate me.

Mr. NELLIS. Mr. Wexler.

Mr. WEXLER. Yes, sir.

Mr. NELLIS. You testified a moment ago now that you refused to answer the questions as to who you stayed with in Florida because of this lottery charge; is that right?

Mr. WEXLER. No, no, I did not. I just refused to answer and I stand on my constitutional rights that it may incriminate me.

Mr. NELLIS. That it may incriminate you of what offense?

Mr. WEXLER (talking to counsel). I still refuse to answer that.

Mr. NELLIS. How long ago was this brought against you?

Mr. WEXLER. Well, that answers it.

Mr. NELLIS. Don't you remember when you were indicted?

Mr. WEXLER. To the best of my recollection, I think it was around 1937.

Mr. NELLIS. 1937?

Mr. WEXLER. I think so.

Mr. NELLIS. And wouldn't you assume that the statute of limitations had run on an offense that might have occurred in 1937?

Mr. WEXLER. I don't know anything about law [conferring with attorney].

Mr. NELLIS. That is not an answer. The offense of which you were indicted for apparently occurred in 1937 or prior to that date; is that right?

(Mr. Wexler conferring with counsel.)

Mr. MOSER. Mr. Chairman, I think it should be noted for the record that when a question is given, that counsel whispers the answer.

Mr. McCORMACK. Well, that is quite all right with us.

Mr. FEIGHAN. If we were in error, I may say that I assumed that that would be all right, that he could consult with us.

Mr. NELLIS. Well, if you want to take time to consult with him, that is all right, but Mr. Moser's point was very well taken, namely, that you were coaching him on each reply.

Mr. McCORMACK. Well, wouldn't we be coaching him if we had a conference?

Mr. MOSER. I have no objection to your advising him, but I do object to your telling him what to answer in each case, telling him what his answer is. We allow counsel to attend as a courtesy to the witness and to counsel, but if it gets to the point where the witness is just a puppet repeating what counsel says, that is another matter.

Mr. McCORMACK. We only intervene when the fifth amendment is brought into being.

Mr. NELLIS. Well, you may take time out to consult with him, if you wish. Do you want to do that?

Mr. McCORMACK. What was the last question?

(The record was read by the reporter.)

Mr. NELLIS. I will rephrase the question. You say the answer to that question might incriminate you, is that right, of a Federal offense? Is that your statement?

Mr. WEXLER. The answer to the question you just read?

Mr. NELLIS. That I asked you, concerning who you stayed with and how many friends you stayed with in Florida.

Mr. WEXLER. That is right.

Mr. NELLIS. Right?

Mr. WEXLER. Yes.

Mr. NELLIS. Now, the offense which you have in mind, I take it, is one which occurred more than 10 years ago, because you just told me that the indictment was issued in 1937 against you, is that right?

Mr. McCORMACK. Now may we have a conference, sir?

The CHAIRMAN. Yes.

(Counsel conferring with Mr. Wexler.)

Mr. NELLIS. What is the answer?

Mr. WEXLER. There is nothing to prevent them from indicting me again or other indictments.

Mr. NELLIS. You mean for some other crime, some other offense?

Mr. WEXLER. For this business that I am in.

Mr. NELLIS. For the news business?

Mr. WEXLER. Yes.

Mr. NELLIS. Is that right?

Mr. WEXLER. That is right.

Mr. NELLIS. Is that a State offense that you are concerned about?

Mr. WEXLER. I am concerned about a Federal offense.

Mr. NELLIS. You are not concerned about a State offense?

Mr. WEXLER. Both.

Mr. NELLIS. Both?

Mr. WEXLER. Yes.

Mr. MOSER. Is it your position that there is a Federal law that forbids the wire business that you are in?

Mr. FEIGHAN. May we have a conference?

The CHAIRMAN. Yes.

(Counsel conferring with witness.)

Mr. NELLIS. What is your answer?

Mr. WEXLER. I don't know the law, but I was indicted once, and it could happen again on that charge or other charges.

Mr. MOSER. You were indicted once under the State law?

Mr. WEXLER. A Federal law.

Mr. NELLIS. The Federal lottery statute, is that right?

Mr. WEXLER. That is right.

Mr. NELLIS. All right. Now, Mr. Wexler, let us get down to this avoidance of the subpoena. After you left Pittsburgh you went to Nevada?

Mr. WEXLER. No, sir.

Mr. NELLIS. You never went to Nevada during the period December to February or March of this year?

Mr. WEXLER. No, sir.

Mr. NELLIS. You said when you first started to testify that you were scared, isn't that what you said?

Mr. WEXLER. Yes.

Mr. NELLIS. What were you scared of, Mr. Wexler?

Mr. WEXLER. Of another indictment.

Mr. NELLIS. Of another indictment for what?

Mr. WEXLER. For anything, for the business I am in.

Mr. NELLIS. For the Theatrical Grill business you are in?

Mr. WEXLER. No, sir.

Mr. NELLIS. For the horse racing business you are in?

Mr. WEXLER. For the wire service.

Mr. NELLIS. For the wire service?

Mr. WEXLER. Yes, sir, and income tax also.

Mr. NELLIS. Income tax?

Mr. WEXLER. Yes.

Mr. NELLIS. You are just worried about an indictment, is that right?

Mr. WEXLER. I was brought into Chicago once and I was scared about it again.

Mr. NELLIS. In any event, you made no effort whatsoever to communicate with any authority to indicate you were ready, willing, and able to testify, is that right?

Mr. WEXLER. Well, I came in on my own.

The CHAIRMAN. When?

Mr. WEXLER. And I reported here in, I think it was the latter part of March, I think it was the latter part, I am not sure.

Mr. NELLIS. When you got notice that there was a warrant out for your arrest, is that right?

Mr. WEXLER. That is right.

Mr. NELLIS. Mr. Wexler, are you in any illegitimate business?

Mr. WEXLER. No, sir.

Mr. NELLIS. Is the Empire News Service Co. a legitimate business?

Mr. WEXLER. So far as I know it is.

Mr. NELLIS. You are concerned about an indictment with respect to what you do in that company, but you think it is a legitimate business, is that right?

Mr. WEXLER. I thought it was legitimate when got indicted before.

Mr. NELLIS. What is the business of the Empire Service Co.?

Mr. WEXLER. It is a news business, the dissemination of news.

Mr. NELLIS. What kind of news do you disseminate?

Mr. WEXLER. Race-horse news.

Mr. NELLIS. Who are your customers?

Mr. WEXLER. I refuse to answer and stand on my constitutional rights, because they may incriminate me.

Mr. NELLIS. At this point I would like to ask the chairman to direct the witness to answer the previous questions concerning who he was with while avoiding service of this committee, and the question concerning who his customers are.

The CHAIRMAN. Let us take them one at a time.

Mr. Wexler, you do understand the first of the two questions to which counsel refers, namely, the question as to whom you were with at the time that attempts were made to serve a subpoena on you? I mean, you understand the question?

Mr. WEXLER. Yes, sir.

The CHAIRMAN. Now, Counsel, just a second, so we may get the record clear, in the opinion of the subcommittee that is a proper question to be asked of you, and the committee directs that it be answered.

Now if you desire to confer with counsel, it is permissible to do so.

Mr. McCORMACK. Thank you.

Mr. FEIGHAN. Thank you.

(Witness conferring with counsel.)

The CHAIRMAN. What is your answer?

Mr. WEXLER. I refuse to answer, and have to stand on my constitutional rights there. I could be charged with conspiracy if I answered that question.

The CHAIRMAN. Now, the second of the two questions is who are the customers of the Empire News Service, and we do instruct that

you answer that, and are we to understand that you take the same position of refusing to answer?

Mr. WEXLER. Yes, sir.

Mr. McCORMACK. That is right.

Mr. NELLIS. Where do you obtain your service, Mr. Wexler?

Mr. WEXLER. From the Continental Press.

Mr. NELLIS. And how much do you pay them for the service, Mr. Wexler?

Mr. WEXLER (conferring with counsel). I have to refuse to answer that question. I will have to stand on my constitutional rights.

Mr. NELLIS. Can we have an agreement, gentlemen, so that the Chair does not have to ask you to direct your answer each time, Mr. Chairman, would you be agreeable?

The CHAIRMAN. Would it be agreeable to counsel, could we understand that rather than go through this routine each time, could we have it understood that he is directed to answer the question?

Mr. McCORMACK. Yes, and may we have this further understanding, Mr. Chairman, may the record show, and if you agree to it, that if he fails to supplement his refusal by the fact that the answer may incriminate him, that it is understood and agreed to that it is implied that that is part of his testimony?

The CHAIRMAN. It will be understood that if he made a full answer he would have included that, and that what he has said in response to the previous questions will be considered as having been stated in response to the others.

Mr. McCORMACK. Thank you.

Mr. NELLIS. When did you first go into the news-service business, Mr. Wexler?

Mr. WEXLER. I would say about 26 years ago.

Mr. NELLIS. When did you first take the service of Continental Press?

Mr. WEXLER. Oh, I think maybe when they formed that company.

Mr. NELLIS. How much did you pay them at that time for the service which you obtain?

Mr. WEXLER. I will have to refuse to answer.

Mr. NELLIS. That happened 15 years ago?

Mr. WEXLER. I don't remember, to be truthful.

Mr. NELLIS. Then why don't you state that? That is your answer, that you don't remember?

Mr. WEXLER. I don't remember what I did pay.

Mr. NELLIS. Do you remember what you paid them 10 years ago?

Mr. WEXLER. No, to be truthful, I don't remember how much I paid them.

Mr. NELLIS. What about 5 years ago? Do you remember what you paid then?

Mr. WEXLER. I will have to refuse to answer that and stand on my constitutional rights.

Mr. NELLIS. Do you remit everything but a nominal salary to you back to Continental?

(Counsel talking to witness.)

Mr. NELLIS. Just a minute, please.

Mr. McCORMACK. I beg your pardon.

Mr. WEXLER. Will you ask the question over again, please?

Mr. NELLIS. Do you remit everything back that you obtain in your news-service business to Continental, except a salary which you keep for yourself?

Mr. WEXLER. No, I pay them a flat sum, whatever it is. They have nothing to do with my business, outside of my buying their news.

Mr. NELLIS. Does the amount which you pay them fluctuate from year to year?

Mr. WEXLER. Well, it does not. There has been in a matter of years different amounts, but it does not fluctuate.

Mr. NELLIS. What is the difference based upon, if you know?

Mr. WEXLER. Just my bargaining, trying to save more money.

Mr. NELLIS. They come to you and try to get the highest price they can, and you try to get the lowest price?

Mr. WEXLER. Well, they have not tried to get the highest price, but I have went and tried to get mine reduced, if I could. I had nothing to lose if I did not.

Mr. NELLIS. You have a unique set-up as a distributor for Continental, because many of their other outlets return practically everything to Continental except nominal fees of the officers, who run the outfit.

Mr. WEXLER. I know nothing about their business.

Mr. NELLIS. You know nothing about that?

Mr. WEXLER. No, sir.

Mr. NELLIS. So far as you are concerned, you always paid them a stated fee?

Mr. WEXLER. I was in the news business before Continental ever was in business.

Mr. McCORMACK. Just a moment. Don't vouchsafe anything.

Mr. NELLIS. You have always paid them a flat sum?

Mr. WEXLER. Yes, sir.

Mr. NELLIS. How well do you know Mickey McBride?

Mr. WEXLER. I know Mr. McBride very well.

Mr. NELLIS. For many years?

Mr. WEXLER. Yes, many years.

Mr. NELLIS. Did you work for him when he was in the news circulation business?

Mr. WEXLER. I worked for the Cleveland News, and he was the circulator. I was a newsboy, and then I drove a wagon for a short while.

Mr. NELLIS. He so testified in Cleveland.

Mr. WEXLER. Yes.

Mr. NELLIS. How did you get into the news-service business, or whatever you call it? It is a wire-service business; isn't it?

Mr. WEXLER. That is right.

Mr. NELLIS. How did you get into the business, Mr. Wexler?

Mr. WEXLER. When I left the newspaper business, my brother-in-law, who is Sam Miller, he had the wire at that time, and I went to work for him, and it was very small, and he turned it over to me.

Mr. NELLIS. Who were your customers those days, when you first started?

Mr. WEXLER. I wouldn't remember them.

Mr. NELLIS. You would not remember them?

Mr. WEXLER. It is 26 years ago; I would not remember them.

Mr. NELLIS. How many customers do you have now, can you tell us that?

Mr. WEXLER. I will have to refuse to answer that; period. It may incriminate me.

Mr. NELLIS. Are they located outside the State of Ohio, as well as in the State of Ohio?

Mr. WEXLER. I will have to refuse to answer that.

Mr. NELLIS. Isn't it a fact that you have some outlets in Michigan?

Mr. WEXLER. I will have to refuse to answer that also.

Mr. NELLIS. And the same question as to Indiana? Do you have any customers in Indiana?

Mr. WEXLER. I will have to refuse to answer.

Mr. NELLIS. Mr. Wexler, who is William Kirkland?

Mr. WEXLER. William Kirkland?

Mr. FEIGHAN. May we confer?

Mr. NELLIS. Well, now——

Mr. FEIGHAN. May we confer, Mr. Chairman?

The CHAIRMAN. Yes.

(Counsel conferring with witness.)

Mr. WEXLER. I will have to refuse to answer that.

The CHAIRMAN. I would specifically note that you are directed to answer that question. And you still refuse?

Mr. WEXLER. Yes, sir.

The CHAIRMAN. Just on the mere question of who he is?

Mr. WEXLER. Yes, sir.

The CHAIRMAN. As to who this person, this Kirkland, is?

Mr. WEXLER. Yes, sir.

Mr. NELLIS. Who is William Kirkwood?

Mr. WEXLER. The same answer.

Mr. NELLIS. What answer?

Mr. WEXLER. I refuse to answer.

Mr. NELLIS. Isn't he located, whoever this William Kirkwood is, at your office, at the Chester and Ninth Building?

Mr. WEXLER. I will have to refuse to answer.

Mr. NELLIS. Isn't it a fact that both Kirkland and Kirkwood are fictitious names?

Mr. WEXLER. I will give the same answer.

Mr. NELLIS. Isn't it a fact that you removed their names from the building after the McFarland committee of the United States Senate issued its report?

Mr. WEXLER. I refuse to answer.

Mr. NELLIS. Isn't that the reason you removed the names?

Mr. WEXLER. I would not have to answer—I refuse to answer that.

Mr. NELLIS. Why do you use fictitious names in the newspaper business?

Mr. WEXLER. I will have to refuse to answer that question.

Mr. NELLIS. Are you going to testify about your ownership in the Theatrical Grill?

Mr. WEXLER. No, sir.

Mr. NELLIS. You are not going to give us your information on that?

Mr. WEXLER. I will testify to that, but I thought you asked me——

Mr. NELLIS. The answer is that you are going to testify?

Mr. WEXLER. I am going to testify.

Mr. NELLIS. Before we get to that, how well do you know Pete Licavoli?

Mr. WEXLER. I refuse to answer.

Mr. NELLIS. You know that he testified in Detroit that he calls you frequently, that he is a friend of yours.

Mr. WEXLER. I don't know what he testified. I don't know anything about it.

Mr. NELLIS. He so testified. I am not trying to take advantage of you. That is a fact, in the record, he so testified.

Mr. WEXLER. Well, I don't know anything about it.

Mr. NELLIS. When did you last speak to him on the telephone?

Mr. WEXLER (conferring with counsel). I refuse to answer.

Mr. NELLIS. Do you know his business?

Mr. WEXLER. The same answer, I refuse to answer.

Mr. NELLIS. Calls from you at the Theatrical Grill have been noted to Mr. Allen Smiley. Who is Allen Smiley, Mr. Wexler?

Mr. WEXLER. I don't know him.

Mr. NELLIS. You don't know Allen Smiley?

Mr. WEXLER. No; not that I remember.

Mr. NELLIS. Would you deny that calls had been made from the Theatrical Grill to him?

Mr. WEXLER. Well, the Theatrical Grill has three or four stations in it.

Mr. NELLIS. This is not from the pay station.

Mr. WEXLER. I don't know.

Mr. NELLIS. What is the telephone number?

Mr. WEXLER. The number for reservations is 1-6092.

Mr. NELLIS. You don't know Smiley, is that right?

Mr. WEXLER. Not that I know of; not to my recollection, I don't know him.

Mr. NELLIS. How well do you know Mike Farah?

Mr. WEXLER. From coming into the Theatrical Grill, I have met him. I had met him many years ago on the street.

Mr. NELLIS. Just a moment, please.

(There was a brief interruption.)

Mr. NELLIS. Do you know what business Farah is in?

Mr. WEXLER. I refuse to answer.

Mr. NELLIS. You did telephone him from the Theatrical Grill, didn't you?

Mr. FEIGHAN. Just a minute.

Mr. McCORMACK. Just a minute.

Mr. NELLIS. Do you refuse to answer the last question?

Mr. WEXLER. Yes, sir.

Mr. NELLIS. You know that he owned the Jungle Inn in Mahoning County, in Ohio, isn't that right?

Mr. WEXLER. I refuse to answer.

Mr. NELLIS. And why did you call the Merchants Club in northern Kentucky? Who do you know there?

Mr. McCORMACK. Just a minute.

Mr. NELLIS. Now, gentlemen, I really think you are taking advantage of the committee to confer after every question.

Mr. WEXLER. I refuse to answer this question.

Mr. FEIGHAN. We certainly do not want to do that.



Mr. NELLIS. It really amounts to coaching the witness on each question. I say this in the utmost kindness.

Mr. McCORMACK. We want him to answer every question that may not incriminate him, and certainly we have to know who you are asking about before we can advise him.

Mr. NELLIS. He is the witness. Let him decide who are the people—who are the people you know at the Merchants Club?

Mr. WEXLER. I refuse to answer that question.

Mr. NELLIS. Do you know Jimmy Brink?

Mr. WEXLER. Yes, sir.

Mr. NELLIS. How well do you know him?

Mr. WEXLER. I know Jimmy very well.

Mr. NELLIS. What would be the occasion for your calling him so often?

Mr. WEXLER. (No answer).

Mr. NELLIS. Do you have any business dealings with him?

Mr. WEXLER. I could have had, with some horses.

Mr. NELLIS. Involving your stables?

Mr. WEXLER. Yes, sir.

Mr. NELLIS. Now, you know Anthony Milano, don't you?

Mr. WEXLER. I may know him, and I may have met him, not too well.

Mr. NELLIS. In 1948 you did some business with him, didn't you?

Mr. WEXLER. I don't remember it.

Mr. NELLIS. Well, if I told you that the records of the Theatrical Grill indicate they were business transactions, you would not deny that, would you?

Mr. WEXLER. You would have to tell me what they were, to refresh my memory.

Mr. NELLIS. Do you know Dalitz?

Mr. WEXLER. Yes.

Mr. NELLIS. You have done business with his company, haven't you, or his companies?

Mr. WEXLER. Which are his companies?

Mr. NELLIS. Well, let's take Pioneer Linen. You do business with them?

Mr. WEXLER. Yes.

Mr. NELLIS. That is a company that was owned by Dalitz?

Mr. WEXLER. I don't know whether he owns it or not.

Mr. NELLIS. You don't know whether he owns it or not?

Mr. WEXLER. Just from hearsay.

Mr. NELLIS. So he testified that way under oath; did you know that?

Mr. WEXLER. No; I did not read his testimony.

Mr. NELLIS. Who is Clarence Rothkopf?

Mr. WEXLER. He is a fellow that is in the towel business—in the linen business, rather.

Mr. NELLIS. Is he related to Louis Rothkopf?

Mr. WEXLER. No; his name is Roscup, I think.

Mr. NELLIS. Do you know Louis Rothkopf?

Mr. WEXLER. Yes, sir.

Mr. NELLIS. How well do you know him?

Mr. WEXLER. Very well.

Mr. NELLIS. Have you ever been in business with him?

Mr. WEXLER. Not that I know of. Not that I can remember.

Mr. NELLIS. Do you know Morris Kleinman?

Mr. WEXLER. Yes, sir.

Mr. NELLIS. How well do you know him?

Mr. WEXLER. Very well.

Mr. NELLIS. Have you been in business with him?

Mr. WEXLER. Not that I can remember; I can't remember any business with him.

Mr. NELLIS. No dealings of any kind?

Mr. WEXLER. Not that I can remember.

Mr. NELLIS. Who is Henry Beckerman?

Mr. WEXLER. He was my attorney, but he has been dead——

Mr. NELLIS. He has been dead for several years, has he not?

Mr. WEXLER. That is right.

Mr. NELLIS. And he was associated with Mr. Gordon, who was Mr. Haas' associate, isn't that right?

Mr. WEXLER. I don't know, he wasn't when he was representing me, I don't think.

Mr. MOSER. Mr. Wexler.

Mr. WEXLER. Yes, sir.

Mr. MOSER. You know, do you not, that this committee is engaged in an investigation of whether organized crime utilizes the facilities of interstate commerce, or otherwise operates in interstate commerce, do you not?

Mr. WEXLER. Yes.

Mr. MOSER. Have you any information that does not involve you, and which would not incriminate you, regarding transactions of an illegal character in interstate commerce, or using facilities of interstate commerce, or which are otherwise within the jurisdiction of this committee?

Mr. WEXLER. I don't understand that question too thoroughly.

Mr. MOSER. I will restate it. Have you any information that does not involve you and would not incriminate you regarding transactions of an illegal character in interstate commerce, or using the facilities of interstate commerce?

Mr. WEXLER. May I talk to my lawyers?

Mr. MOSER. Yes.

(Witness confers with counsel.)

Mr. WEXLER. I don't know anything about anybody else's business.

The CHAIRMAN. Well, that is not quite responsive to the question, to say you don't know anything about anybody else's business. You have heard the question, and you do understand it. You have consulted with counsel about it, and the question is as to whether or not you have any information that would enlighten us in that connection, that is, not concerning you and not incriminating you at all, but any activities of others.

Mr. WEXLER. No; I don't know anything about it.

Mr. NELLIS. About the wire service, for example, that does not incriminate or affect you.

Mr. WEXLER. No.

Mr. NELLIS. Do you know how the wire service operates?

Mr. WEXLER. I don't know how they operate.

Mr. NELLIS. How does a distributor operate, any distributor, not you.

Mr. WEXLER. Well, I can only answer for myself. I know I take care of my own business, I never bother with anybody else.

Mr. NELLIS. Why don't you answer for yourself? How does your business operate, generally, without telling us specifically who your customers are? You obtain service from Continental?

Mr. WEXLER. And I sell it.

Mr. NELLIS. How do you sell it, by telephone?

Mr. WEXLER. Telephone and telegraph, whatever way we have.

Mr. NELLIS. What ways, just those two ways?

Mr. WEXLER. That is all, that is the only way I know of.

Mr. NELLIS. How many telephones do you have in your establishment?

Mr. WEXLER. I refuse to answer that question.

Mr. NELLIS. Do you have any Western Union ticker boxes?

Mr. WEXLER. May I talk to counsel?

The CHAIRMAN. Yes.

(Witness confers with counsel.)

Mr. WEXLER. We have some tickers.

Mr. NELLIS. You have some Western Union facilities, is that right?

Mr. WEXLER. Yes, sir.

Mr. NELLIS. Who is Joe Uhle, do you know Joe Uhle?

Mr. WEXLER. I don't know the name.

Mr. NELLIS. Or Jerome Newstadt?

Mr. WEXLER. No, sir.

Mr. McCORMACK. Keep your voice up so the stenographer can get it.

Mr. WEXLER. Those names are not familiar to me.

Mr. NELLIS. Do you know the address of 208 Noble Court in Cleveland? Have you ever been there?

Mr. WEXLER. I have never been there.

Mr. NELLIS. Have you ever been given any money by Mr. McBride for any purpose?

Mr. WEXLER. I have borrowed money off of Mr. McBride, that is, I borrowed money that Mr. McBride signed collateral for from the bank.

Mr. NELLIS. Has he given you any money for any other purpose or in any other connection?

Mr. WEXLER. No, sir.

Mr. NELLIS. No other questions.

The CHAIRMAN. That concludes the questioning.

Mr. McCORMACK. May I offer this as substantiating of real and not imaginary fear of prosecution and have that made part of the record?

The CHAIRMAN. Well, it will be introduced as an exhibit.

Mr. FEIGHAN. Yes, and with the further statement that it contains, in our judgment at attorneys for Mr. Wexler, a violation on the part of the newspaper and publishing in violation of section 55 of the Internal Revenue Code.

The CHAIRMAN. Of course, you mean in regard to the disclosure. I may say to you that the committee has not disclosed that in any way.

Mr. McCORMACK. We do not think so. It is unfortunate that a paper from our town can indulge in such things.

The CHAIRMAN. It will be filed and placed in the record as an exhibit.

(The newspaper item referred to above was marked "Wexler exhibit No. 2" and is as follows:)

[From the Cleveland (Ohio) Press, Wednesday, June 6, 1951]

### \$500,000 IS PAID MUSHY'S WIRE

(By Forrest Allen, Press staff writer)

WASHINGTON, June 6—Ohio bookies pay more than \$500,000 a year to Morris (Mushy) Wexler's horse-bet news service.

This is indicated by records and other evidence the Senate Crime Committee is readying for the Cleveland horse-wire boss next week when he will put in a belated appearance on the crime probe's hot seat.

Investigators have arrived at the \$500,000 "and up" figure on the bookies' wire-service cost by analyzing the net profits taken off the top by Wexler and others.

Wexler's personal cut on the lucrative racewire take has been running between \$90,000 and \$100,000 a year, committee investigators have found.

Sharing the take of Empire News and Empire Service Co., names under which the racetrack news of Continental Press is distributed in Ohio, are Wexler's partners, Sam (Gameboy) Miller and Robert Kaye, according to testimony already on record.

Miller, now operating a fancy gaming casino in Miami, Fla., is scheduled to appear here with Wexler next week. Kaye, like Miller a former Cleveland, now is cashier of the fabulous Desert Inn, Las Vegas, Nev.

Other records in the committee's hands, the Press learned today, show that in the years since 1944 or 1945, Wexler has:

Operated his Theatrical Grill on Vincent Avenue at a net yearly profit of about \$1,500, although the restaurant's gross business runs better than \$600,000.

Won purses with his own ponies amounting to \$60,000 or \$70,000 a year, with 1 year's winnings reaching between \$170,000 and \$175,000.

Bought about \$2,000 worth of Cleveland Browns and Cleveland Indians tickets a year, charging them to the Theatrical Grill.

Received about \$100,000 in a recent year from a "Robbler Products Co., Cincinnati." (Cincinnati newspaper reporters have been unable to find such a firm.)

Evidence now being assembled for the questioning of Wexler by the Senate probers, it was learned here, is much more nearly complete than it would have been had not Wexler dodged a Kefauver subpoena and thus avoided the Cleveland hearings in January.

While Wexler was hiding out for months—not reappearing until after the first round of the crime probe ended in March—committee investigators continued to dig into the activities of the Ohio bookie-wire boss.

Investigators will attempt to show through questioning of Wexler at a closed session here next week that he is a good example of a man who operates a legitimate business—the Theatrical Grill—either as a profitless "front" or, in another view, as a "hobby."

While in the years since 1945 Wexler's gross income has reached from 190,000 to \$200,000 a year, virtually none of it has been reported as coming from Theatrical Grill operations.

### LENT LARGE AMOUNTS OF CASH

Wexler, over these years, lent large amounts of cash to the restaurant. Despite heavy repayments, the cafe business still owed him between \$170,000 and \$175,000 a little over a year ago.

In 1 year the restaurant repaid Wexler about \$140,000 of loans he had made to it.

Committee investigators have learned that early in 1947 Wexler bought 50 of the 250 shares of stock outstanding in the grill corporation. He paid \$25,000 for his stock and became president of the corporation.

## GAMEBOY'S SISTER

Bessie Miller, sister of "Gameboy" Miller, became vice president and treasurer. Irving B. Spitz became secretary.

Investigators, it was learned have gone over Wexler's books and bank accounts. Some of the items charged to business expense of the restaurant will be questioned.

At one period, Wexler was sending Theatrical Grill checks in large amounts to an L. E. Hunt and F. J. Mangler in Chicago. He will be asked about these payments.

## OTHER QUESTIONS

Other questions will seek explanations of a \$10,000 loan to Clarence Roskoph, payments to Cleveland Raceways, Inc., and checks to Sam Berk, Joe C. Geraci, Frank Dindia, Johnny Kapona, and others.

Wexler's purse winnings on his own ponies, it was learned, were in connection with his stables; Greenlawn Farms, 12051 Valley Road, Parma.

In this connection, investigators have wondered about a payment to Wexler during the war of about \$35,000 by the Miami Jockey Club.

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VOTE TO CITE THREE IN CRIME PROBE

WASHINGTON, June 6—(UP).—The Senate Crime Committee has voted to cite for contempt two committee-named Capone mobsters and the president of a Chicago country club.

The witnesses, who shied away from the Crime Committee's questioning during a recent hearing, were Murray (the Camel) Humphreys and Rocco Fischetti, long-time Chicago underworld characters, and George S. May, president of the Tam O'Shanter Country Club.

Chairman Herbert R. O'Connor said the committee voted the contempt citations at a closed meeting late yesterday. The full Senate must act on the citations before they are sent to the Justice Department for a final decision on prosecution.

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PROBE WINDUP STARS HAAS, WEXLER

(By Forrest Allen)

WASHINGTON, June 6.—Cleveland's two Kefauver runaways—Samuel T. Haas and Morris (Mushy) Wexler—share top billing in the Senate Crime Committee's plans for a wrap-up of the unfinished business on the Copeland gambling syndicate.

That was apparent here today as committee staff members worked to set a date next week for all the subpoena dodgers who, like Haas, the lawyer, and Wexler, were picked up on Senate arrest warrants after the first phase of the crime probe had closed.

Senator Herbert O'Connor who has replaced Senator Estes Kefauver as chairman, said he hoped to complete all unfinished business, in the way of carry-over witnesses, by the end of next week.

From here on, according to Richard G. Moser, who has taken Rudolph Halley's place as chief committee counsel, the probe will concentrate on the narcotics trade, with at least one small city coming in for a study of its commercialized prostitution.

Joseph L. Nellis, who was in charge of preparing the material on the Cleveland witnesses, will conduct the questioning of Haas, Wexler, and the others. Although he has resigned his position as assistant counsel for the crime probes, Nellis has agreed to a recall for this final job.

## IMPORTANT WITNESSES

"The two most important witnesses remaining," Nellis said, "are Haas and Wexler. Haas appears to be at the center of many of the operations of that tight little circle composed of Morris Kleinman, Lou Rothkopf, Tommy McGinty, and Moe Dalitz.

Testimony already in the record shows Haas to have been in partnership in western slots operations with the late Nate Weisenberg, McGinty, his brother, Morris Haas, and others. Haas was in real-estate dealings in Florida with McGinty.

"He was in the Detroit Steel Co. stock deal with Kleinman, Dalitz, and Rothkopf.

The CHAIRMAN. All right, call your next witness.

Mr. MOSER. Mr. Weis.

The CHAIRMAN. Mr. Weis, will you take your seat there?

We are in executive session, and we are altering the course of witnesses because of the fact that I understand counsel assured you that you would be taken out of order, and we have other witnesses out there, and we hope to serve your convenience.

Mr. WEIS. Fine.

The CHAIRMAN. In all cases we have been swearing witnesses, so I suppose you have no objection?

Mr. WEIS. No objection.

The CHAIRMAN. Raise your right hand, please.

In the presence of Almighty God do you swear that the testimony you are about to give is the truth, the whole truth, and nothing but the truth?

Mr. WEIS. I do so.

#### TESTIMONY OF W. NORRIS WEIS, BALTIMORE, MD.

The CHAIRMAN. Mr. Moser, will you please conduct the examination?

Mr. MOSER. Mr. Weis, you were foreman of the January term of the 1951 grand jury in Baltimore?

Mr. WEIS. Yes, sir.

Mr. MOSER. Will you please state your full name?

Mr. WEIS. W. Norris Weis.

Mr. MOSER. And your address?

Mr. WEIS. 3609 Alameda Circle, Baltimore 18.

Mr. MOSER. As you know, we have requests from all over the country to investigate various areas.

Mr. WEIS. That is right.

Mr. MOSER. And your grand jury report, which I think is an excellent job, came to our attention, and we thought that rather than doing it informally we would like to have you actually appear before the committee, and perhaps you could give us some ideas about Baltimore so that we can get the benefit of your own experience and your own views on it.

Mr. WEIS. Fine.

Mr. MOSER. Now, I know that you must have spent quite a lot of time in this investigation, and it might save us a great deal of time if you would enlighten us about it. Would you like to do that?

Mr. WEIS. Surely.

We came into session January 8, and Judge Sherbow, when giving us his charge, pointed out a good many things he thought we ought to look into in some detail, and we did that.

The CHAIRMAN. He is the presiding judge of the criminal court?

Mr. WEIS. Right, yes, for the record. He called us in and had several people appear before us, and one was Captain Emerson and

another was Beverly Ober, the police commissioner, and then we watched the pattern that seemed to be prevalent unfold.

One was that in the first 6 weeks, no gambling cases were brought before us by any member of the police force of Baltimore, with the exception of Captain Emerson's group.

Then we went back and looked and found that Mayor D'Alesandro, in appearing before the United States Attorney General, in the Committee on Crime and Corruption, read a paper which quoted him as saying that Baltimore was a hot seat of vice and crime. I believe that is an exact quote. I am not sure. I have not found it in the press, but I believe it was in October.

Then we watched the pattern unfold, according to what Judge Sherbow said to us, through our term.

He pointed out that these numbers and gambling people were going on, and that those that Emerson did catch and bring in were of fairly long standing within the bailiwick of the particular police precinct in which he was caught.

This seemed to us to be a little odd.

We also checked geographical locations in the city as to the sources of these arrests and we found that they were strategically located geographically, and they seemed to be centered more in some districts than others.

In Captain Emerson's testimony, he said pretty much exactly what he told in the court last Friday, so we had that information 2 months before the public had it.

The CHAIRMAN. If I may interrupt, while some of us know that, previously when you said he told it to the court last Friday, it may not be clear what it was he told.

Mr. WEIS. On Friday morning he was called into court by Judge Sherbow and examined on the stand publicly concerning the fact that the higher-ups, so-called, in the gambling game, had not been apprehended, and he was finding it very difficult to get to the people other than the players, pickup men, and so on, in the numbers game.

He then verified the statement which he had made earlier, that he had quoted the fact there were tip-offs or leaks, and when he gets to the various places he always finds them very clean.

The names which I read in the paper that you have summoned are names which Mr. Sodero, the State's attorney, told us were people who have been convicted before, or at least are known to have been involved in the gambling game in Baltimore.

We were very concerned about it, perhaps even more concerned, because so many people that came before us, when you delved a little bit into the circumstances, were not men who had small incomes, but they were men who made from \$60 to \$120 a week, and invariably it was liquor or gambling that seemed to be the source of the trouble. That was on nonsupport cases, I should have said.

Therefore, we found that we were paying not only in the policing, paying that as taxpayers, but we were also paying to keep the families of the men who were victimized because of it, as well as being very sensitive about the children that were hurt through that practice.

We concentrated our attention upon that very much.

Mr. MOSER. Did you indict anybody in the gambling operation?

Mr. WEIS. No indictments, other than the cases that Emerson kept bringing through, we indicted those, of course.

The thing that dismayed us was the fact, first of all, that there were practically no arrests from any of the policemen in the area. In fact, Emerson made this statement to us, and I will quote him, he said, "I get a better reception when I break into a place to raid it than I do from the police in the district when I take them into that district."

That kind of testimony from a man that high up in the squad concerned us very much.

Also, of course, our friends, the writers of New York and Washington Confidential got a good play in the newspapers, because it was picked up in the mayoralty campaign, and there were meetings where citizens were called together to hear the findings as reported, allegedly, in Washington Confidential.

There was a great desire, in fact——

MR. MOSER. Mr. Weis, you did not have any evidence presented to you about these gambling operations, did you, specifically?

MR. WEIS. No; we did not.

MR. MOSER. Except the cases actually brought there?

MR. WEIS. We did not.

MR. MOSER. You just had testimony that other gambling operations existed, or the captain thought so, anyway, because he thought they had gotten a tip-off?

MR. WEIS. That is right.

MR. MOSER. He never actually found any when he got there?

MR. WEIS. That is right.

MR. MOSER. So it was suspicion on his part?

MR. WEIS. That is right.

MR. MOSER. Was there any evidence that it involved interstate operations as distinguished from local?

MR. WEIS. Well, if the report of the Kefauver committee was right in saying that the Continental News Service is a syndicated nationwide kind of thing, and the Howard News daily operated by Mr. Bilson in Baltimore is a subsidiary of that, or at least draws its information from that, we had Mr. Bilson in before us, and we asked him who the people were who subscribed to the service, and he said he did not know.

When we summoned the records, we found signs, Judge Sherbow had adopted the plan of sending people to jail, rather than just fining them when they were picked up, and we found that he was serving people at \$40 per week, giving this information by numbers, on a pay sheet, as they came in.

No. 1, he didn't know who No. 1 was. He didn't know who No. 17 was. They had been coming for as long as 5 years and they paid \$40 a week cash, and under oath——

MR. MOSER. He was supplying information?

MR. WEIS. He was, he testified he didn't know, and had no way to find out, even though we subpoenaed his records, who they were, and we found them to be as he said, in code numbers.

The only ones intelligible to us was the Sunday papers and WMR—or whatever the television station is in Baltimore, and so on.

MR. MOSER. Yes, but if he gets his news from Continental News Service, he is getting the news that has been shipped in interstate commerce, presumably, and that is probably the only hookup between these gambling operations in interstate commerce.



Mr. WEIS. We found no evidence of tie-ins with operators outside of the city or outside the State. First I said outside the city, but there were some in the county.

Mr. MOSER. I have been wondering about this, our committee has a limited time, you know, and we only have until September 1. The committee, heretofore, in investigations conducted, has proved really that there is an interstate tie-up among these gambling operations through the service.

Now, I can see how Baltimore might like to have us investigate Baltimore, but I am wondering, from the point of view of the Senate problem of ascertaining what legislation it should adopt, whether we would get additional information from examining a city like that, or whether it would just be make-way to what we already have.

Mr. WEIS. Of course, when you have a judge on the back page of the paper every day from January 8 on, calling the public's attention to these things, and you couple that with the concomitant information through the book, and the mayor's statement, and of course through Senator O'Connor being appointed as chairman, there is added interest in the State. Also, Mr. Hepbron's appointment to the commission has added interest, insofar as the Baltimore people are concerned.

Emerson's statement in the press, and the raids that have gone on since just over the weekend, incidentally, give the Baltimore people a great feeling of insecurity and unrest. They do not trust the police department in the main, and I say "they" advisedly.

Mr. MOSER. I see what you mean.

Mr. WEIS. What we are saying is, first, our grand jury decided it might not be worth the commission's time, because we did not find evidence that might have helped you in your plan to build national legislation.

So we went to the Governor of our State, first, and suggested that he might do something like Tom Dewey did in New York; he might have a commission with time and personnel and money to do the job, first, and then if he refused to do that, then we would request Senator O'Connor to look into it.

When the Governor got it he rejected our plan, and he said it was the commission's job, in the press.

Mr. MOSER. Yes. You know, our activity has been such as to arouse interest throughout the country.

Mr. WEIS. Of course it has.

Mr. MOSER. We have always hoped that local people like yourself and other local citizens would take advantage of what we have done, and use that as a means of compelling local people to do it, hoping we would arouse local interest.

But the thing that gives me concern, as chief counsel, whose job it is to try to plan a program, is that we must avoid acting as a police department for localities all over the country, when it is their basic responsibility.

We have already rendered the service of advising them as to what the situation is.

Now, we hope that the people in the country will rise and do something about it. I am trying to decide in my own mind to what extent we should lend the services of our committee for the purpose of doing what the local people should do, and that is what gives me concern.

Mr. WEIS. We were interested in the fact that when it was printed in the press, and that is what gave me the idea, Mr. Hepbron, that the commission was going to confine itself to a survey of narcotics in Maryland, which indicated two things, one, that the commission was coming in to do a job——

Mr. MOSER. The committee, you mean.

Mr. WEIS. Excuse me, it was going to do a limited job.

The CHAIRMAN. Who said that?

Mr. WEIS. I am sure I saw it in the press, and I am sure since Mr. Hepbron's statement, and I have checked this with a number of other people, all of whom had the same concept, that your group was coming in to do a job on narcotics.

The CHAIRMAN. Can you refer us to any statement authoritatively made?

Mr. WEIS. No. I went to the Enoch Pratt Library to look back through the Sunday papers, and I could not find it. But I do not give birth to statements like that in my mind, without having seen evidence of it somewhere.

The CHAIRMAN. Apparently there was nothing in the paper, if you searched it through and could not find it. Certainly I have never seen it.

Mr. WEIS. The library does not have every edition of every paper.

The CHAIRMAN. Well, I follow the papers very closely, and I do not remember any such statement, and apparently you cannot refer us to any.

Mr. WEIS. I could not find it in the library. I did not go to the Sunday papers.

Mr. MOSER. This gives me a good deal of concern, because I have the personal responsibility of planning and presenting the program to the committee, and I observed that you stated last week that the committee had agreed to investigate Baltimore.

Have you any evidence that they agreed to investigate Baltimore?

Mr. WEIS. None other than that which has come through an accumulation of facts, and conversation with people, that seems to bear that out.

Mr. MOSER. It is sort of a general impression.

Mr. WEIS. That is right, there is that general impression.

Mr. MOSER. There is no specific evidence.

Mr. WEIS. There is now, since Mr. Hepbron made his statement on Friday, it seems to be conclusive, that there was going to be thorough full-scale investigation.

Mr. MOSER. Before he said that, you stated publicly that the committee had agreed to investigate, and had decided to limit their activity to narcotics. That is what you said.

Mr. WEIS. First of all——

Mr. MOSER. Please let me finish what I am saying.

Mr. WEIS. I am sorry. Please go ahead.

Mr. MOSER. The point I am making is that I have the job of deciding what will be proposed to the committee, and I never heard of the agreement to investigate.

Also, I never heard of any such thing as limiting our activities to narcotics. You have evidence that those decisions were made, yet I never knew about it.

MR. WEIS. All right. In the statement I made, which was just a report on the report, I was not critical of the Government nor was I critical of the commission. I read then the answer the judge had given me from the Government, and the answer he had given me from Senator O'Connor, and then I said, "From what I have been able to discern, and from what I believe, it seems that the commission is limiting its investigation to narcotics," and that is all they have done so far, incidentally.

You know, you cannot be responsible for the way in which a thing is printed in the paper, can you?

THE CHAIRMAN. Have you ever corrected it, Mr. Weis?

MR. WEIS. I beg your pardon?

THE CHAIRMAN. Have you ever corrected it?

MR. WEIS. Unfortunately, I had to leave for camp, which is one of my responsibilities in my county, and I returned to Baltimore just this morning. Mr. Moser called me Thursday, and I had not been to this particular meeting.

The letter from the Senate committee indicated that we have assurance that the matter would be brought to the attention of the committee, and when that was circulated around, at least among our jurors, they all got a copy, and I suppose others did, too, and you went into the house of correction, and so forth, and it appeared that that was the limitation of the work, and that is all I said to the group that evening.

MR. MOSER. Well, the only evidence of the fact that we agreed to investigate and we had decided to limit our activities, was the fact that the matter was being referred to our committee, and the fact we had actually investigated narcotics.

MR. WEIS. That is right.

MR. MOSER. And the fact that we have not yet openly investigated anything else was the only evidence of the fact that we were not going to investigate.

MR. WEIS. That is all I said. It appears it has been limited to this kind of thing.

MR. MOSER. The general impression created by what you said was that you were attacking the committee.

MR. WEIS. By the way it was reported.

MR. MOSER. Yes, sir; that is the general impression of what you said.

MR. WEIS. That is right.

MR. MOSER. Well now, I wrote you on the 14th, as I remember.

MR. WEIS. That is right.

MR. MOSER. And called you and invited you to come down here.

MR. WEIS. And I said that that evening to that group.

MR. MOSER. Was that the same evening?

MR. WEIS. I said that I had been invited to come.

MR. MOSER. I was surprised to discover afterward that we were sort of being attacked. I had the impression that I was asking you for help.

MR. WEIS. Mr. Moser, what reason would I have had to make any kind of attack on the commission? I have none.

MR. MOSER. I could not think of anything.

MR. WEIS. I am in this thing as a layman, and we are on the same team.

Mr. MOSER. I agree with you. One thing that gave me some concern is that we have been actively conducting investigations in Baltimore, not only of narcotics, but of other things.

Mr. WEIS. So Mr. Hepbron says.

Mr. MOSER. We were very careful not to reveal it, just like a grand jury investigation, it has to be kept secret, and the minute it is publicized, you are working in a goldfish bowl, and you have no secrecy.

Mr. WEIS. I had some feeling about upsetting a timetable.

Mr. MOSER. Well, it definitely had that effect.

Mr. WEIS. I was not aware of that, and I assure you that my intentions were of the best.

Mr. MOSER. I think they were. It was perhaps caused by not knowing what was going on. At the same time, you can see why we did not want to reveal what was going on, for the same reason that the grand jury had not done that, I had instructed my investigators to keep it very secret. Then we were accused, practically, of not doing what we were actually doing.

The result was that we had to reveal what we were doing, and I know you will be sorry to hear this, but the fact is just by having to reveal it a day early, we lost a very important piece of evidence.

Now, I cannot tell you what it is, but it is very unfortunate that it was lost, and it would not have been lost if we had been able to keep it quiet.

Mr. WEIS. Was Judge Sherbow aware of your work?

The CHAIRMAN. Why do you say that?

Mr. WEIS. Because I went in and asked him whether or not it was all right to appear before the two groups, and he elaborated on the report, and he said it was all right to say what I had, with the exception of revealing any evidence I had in the grand jury room. I went there for legal counsel.

Mr. MOSER. We talked to him some time in advance before we started.

Mr. WEIS. He did not mention it.

Mr. MOSER. Anyone we talked to, we just talked to them about their own interest in it, and did not tell what we did generally.

Mr. WEIS. Well, would it make it absolutely necessary for you to make your statement immediately following? Couldn't you have waited a day?

Mr. MOSER. The paper reported that the committee had decided to concentrate on dope, and we were immediately subject to criticisms from anywhere.

Mr. WEIS. A call from you to me would have gotten a refutation of what was quoted.

The CHAIRMAN. And a call from you, sir, to the newspapers would have corrected it, but you have never done that, and a week has elapsed.

Mr. WEIS. Well, if Mr. Moser called me briefly to say what he wanted to have done, I would have been glad to do it.

The CHAIRMAN. You mentioned, Mr. Weis, that there were two places that you spoke.

Mr. WEIS. I spoke before the Grand Jurors Association on Wednesday night, and before the United Christian Citizens Committee, which I had never heard of before.

The CHAIRMAN. Did you tell the Grand Jurors Association the same thing that you told the other people?

Mr. WEIS. I assume I talked on the same brief outline, only part of which was the idea of gambling. They wanted to hear a discussion of juvenile delinquency, and exactly what is in the report is what I reported to them.

Mr. MOSER. I think, Mr. Weis, that you and we have the same motive, and we want to work together. That is the reason we wanted you to come over here.

On the other hand, then, you would not want to do anything to hamper us.

Mr. WEIS. I would not.

Mr. MOSER. I wanted you to know that perhaps purely innocently you did do something that in fact hampered us.

Mr. WEIS. I am sorry.

Mr. MOSER. I don't know exactly what you said at the meeting, but it created the impression, you know, that we had decided not to come into Baltimore, and I certainly would have appreciated it, if anything that you said, or I will appreciate it if anything you say in the future, you will indicate that we had not made any decision not to come in.

We have not limited our activities to dope, and you should generally correct the situation that seems to exist.

Mr. WEIS. After you finished a piece of grand-jury work that you are particularly goaded into doing something about it by so many people who indicated to you, it is just like last week's newspaper, it is nothing, and it is going to be forgotten, then you wait a reasonable length of time, which was 5 weeks, and even then I did not take to the rostrum to arouse anybody. I went to these two places because I was invited ahead of time, and I said very innocently the things that I believed to be true at the time.

The CHAIRMAN. In regard to the matters which you say were presented to you by Mr. Sodero, and the names of the people given to the grand jury which have recently appeared in the press, did you investigate that matter?

Mr. WEIS. No. You see the grand jury could only investigate through the police department. We have 23 members, none of whom are skilled investigators, and they cannot go out after these various people and do a spying job.

We asked the police department to check, and we asked Emerson, and we asked for their reports back.

The CHAIRMAN. I mean, have you at this time, or have you had any information to make you believe that there is a foundation for the fact that these individuals may be engaged in big-time operations?

Mr. WEIS. Well, the things that have happened in the past 5 days would certainly bear out the fact that such is true.

The CHAIRMAN. I mean as to these individuals.

Mr. WEIS. No; only that the names which I have seen in the paper, plus a few others, were mentioned to us by Mr. Sodero, and Captain Emerson early in January, as people of long standing engaged in this kind of thing.

Mr. MOSER. From January until May, and you didn't do anything about it?

Mr. WEIS. We didn't find out.

Mr. HEPBRON. In addition to the names of those you have seen subpoenaed in the papers, can you think of any other names that you might give us that are big shots?

Mr. WEIS. I, of course, remember the ones you mentioned. I know there was a man named Barshack. I don't know where his place is, and there was the other one, and then there was a third one, I remember, as I read your list.

Mr. HEPBRON. Well, I think we might say to you in confidence—  
(Discussion off the record.)

The CHAIRMAN. On the record.

Mr. MOSER. I would like to suggest that we carry through the plan of what we have in mind, of having our men come to see you, sit down with you, and you can give them the benefit of any information you have.

Mr. WEIS. I will be glad to do that. I am sorry about the timetable.

Mr. MOSER. Well, so long it does not happen again, I guess we will be all right.

Mr. WEIS. I would not be presumptuous enough to be critical publicly of any public official. I am smart enough for that.

Mr. MOSER. Thank you again. We appreciate it.

The CHAIRMAN. Call your next witness.

Mr. NELLIS. All right; we will call Mr. Angersola, John Angersola.

The CHAIRMAN. Good afternoon. May I have your name?

Mr. BLACK. My name is Loring M. Black. May I make a short statement?

The CHAIRMAN. First of all, we would like to—

Mr. BLACK. Do you want to swear the witness first?

The CHAIRMAN. Yes. Will you raise your right hand?

In the presence of the Almighty God, do you swear that the testimony you are about to give is the truth, the whole truth, and nothing but the truth?

Mr. ANGERSOLA. I do.

#### TESTIMONY OF JOHN ANGERSOLA, CLEVELAND, OHIO, ACCOMPANIED BY LORING M. BLACK, COUNSEL

The CHAIRMAN. What is your full name?

Mr. ANGERSOLA. John Angersola, or John King, either one.

Mr. BLACK. Mr. Chairman, I want to briefly make application, but first I want to thank the committee for permitting my appearance. On Saturday I was called by Fred Kaplan, an attorney in New York, whom I have known a good many years, and I am making this application for both of them; he had expected to represent them, and he knows a great deal more about them than I do. In fact, I practically know nothing.

He asked me to ask this committee to put over this examination, because he has been laid up. He has had a very serious operation, and I know it. He has been laid up in a room, and the operation had to do with his legs. He has had a bad condition, and he is in the hands of a doctor. It is a postoperative case and he has nurses, and he thought that the committee might be willing to put this over, say, for 3 weeks, or something like that.

My own view of it is, from the point of view of the committee, that you might get a more expeditious investigation, so far as this situa-

tion is concerned, and more cooperation, if he was here, because I know something about it.

However, if you do not see fit to do that, for reasons of the committee, Mr. Angersola and his brother have asked me to appear for them and advise them on the law.

The CHAIRMAN. We are glad to have you present, and have you appear for the witness.

Mr. BLACK. In connection with the application, I would like to put in the record a wire that he received on the train, from Mr. Kaplan, stating why he would not be here.

The CHAIRMAN. Mr. Angersola, do you wish to add anything to what counsel has said?

Mr. ANGERSOLA. Outside of I could not very well stand here and answer questions without my counsel being here. I don't know this gentleman.

Mr. BLACK. I know Mr. Kaplan very well.

Mr. ANGERSOLA. I never saw this man before.

Mr. BLACK. He is very anxious to handle this situation. He is a very able lawyer, and he is very much concerned about it, see?

The CHAIRMAN. Yes.

Counsel will make a statement for the committee. Mr. Moser.

Mr. MOSER. I would like to state to Mr. Angersola that the function of this committee is to obtain information regarding illegal activities in interstate commerce, for the purpose of ascertaining whether any legislation should be adopted for the purpose of correcting it.

We are not aiming at you, we are not trying to get you, and we are not trying to incriminate you. We are trying to get information that will be helpful to the country as a whole.

Now, in the light of that, it does not seem to us that you are—

Mr. ANGERSOLA. I am very sorry, but I am hard of hearing. I have a sore ear. Do you mind if I move up a little closer?

Mr. MOSER. No; sit right up here.

Mr. BLACK. I am just as bad.

The CHAIRMAN. Move right up with him.

Mr. MOSER. Have you heard me so far?

Mr. ANGERSOLA. Well, I think I have.

Mr. MOSER. Well, just let me make sure that you have.

Mr. ANGERSOLA. Yes; please repeat it.

Mr. MOSER. I was stating that our purpose is not to get you or incriminate you or cause you any trouble. We are just trying to get information for the purpose of ascertaining whether this committee should recommend to Congress legislation regarding interstate illegal activities, and in view of that it does not seem to me it is necessary for you to necessarily have your regular counsel.

I am sure that Mr. Black is fully qualified to advise you as to your rights. All we want you to do is to tell us the truth, and if there is something you think you are privileged not to answer, Mr. Black can advise you.

The CHAIRMAN. That is correct. That represents the committee's advice, as just expressed by Mr. Moser. In other words, you are not here on trial, and there is no accusation against you, and the committee is not bent on getting anything that would be detrimental to your interest.

Mr. ANGERSOLA. Sure, but I—

Mr. BLACK. The only difficulty with that is that counsel who knows the facts can so much better advise the man as to the dangers involved in a particular question. Counsel who does not know the facts must, in the protection of his client, and that is what I meant by better cooperation, must advise the client differently than the man who might say, "Go ahead and answer."

Now, I appreciate being here at all. I know the rights of counsel. I have been on congressional committees and legislative committees, and I want to say for this committee, as a member of the bar, that this committee has been most liberal so far as the appearance of counsel has been concerned. I have no right to talk, I realize that.

Mr. MOSER. As you say, you know, of course, that witnesses have no real right to have counsel, but we have just leaned over backward to be fair.

Mr. BLACK. This committee has been very liberal in that respect.

Mr. MOSER. Do you intend to claim the privilege with regard to most of the material we are likely to ask you about? Is that your plan?

Mr. ANGERSOLA. How is that?

Mr. MOSER. Do you intend to claim the privilege not to answer?

Mr. ANGERSOLA. Yes, sir: so long as counsel is not here.

Mr. NELLIS. On any and all questions?

Mr. ANGERSOLA. If counsel was here, no.

Mr. MOSER. If your counsel was here, you would answer?

Mr. ANGERSOLA. I am afraid I don't know how far I could go. I don't know my rights. I am not an attorney at law. I don't know what I could answer and what I could not answer.

The CHAIRMAN. Mr. Angersola, are we to understand that if a postponement for a reasonable time is granted, that you will answer questions?

Mr. ANGERSOLA. Within my rights, I think, yes.

The CHAIRMAN. What do you mean by within your rights?

Mr. ANGERSOLA. I don't know; I don't know what questions you are going to ask me.

The CHAIRMAN. I see. Well, I have no doubt that you have some idea, because just now you said that you would not answer questions.

Mr. ANGERSOLA. I didn't say that. I said I would not answer without counsel. I don't know. I am afraid I may answer something wrong.

One thing I do know, I don't want to be held for perjury. I don't want to say something that I may not know what I am talking about. It might be a little thing, and the first thing you know, I might have said something I should not have said.

Mr. BLACK. We are all lawyers, and are familiar with the need for a lawyer.

Mr. ANGERSOLA. I need somebody to advise me.

The CHAIRMAN. That is not the point, however. The specific point to which I would like to direct your attention is as to whether—

Mr. ANGERSOLA. I would like to answer, if my attorney is here.

The CHAIRMAN (continuing). If you intend to do so.

Mr. ANGERSOLA. Yes, sir.

The CHAIRMAN. You will?

Mr. ANGERSOLA. Yes, sir.



The CHAIRMAN. So that that matter, or as to matters generally within your knowledge you will testify to?

Mr. ANGERSOLA. Yes, sir.

The CHAIRMAN. When Mr. Kaplan is here?

Mr. ANGERSOLA. Yes, sir.

Mr. NELLIS. And that is in connection with your association and dealings with other individuals in business or otherwise?

Mr. ANGERSOLA. I don't know what you are going to ask me.

Mr. NELLIS. Well, we are not going to make a deal with you. The chairman asked you—

Mr. ANGERSOLA. I don't know what you are going to ask me.

Mr. NELLIS. Will you testify freely and fully?

Mr. ANGERSOLA. Yes, sir.

Mr. NELLIS. As to all matters that the committee will question you on?

Mr. ANGERSOLA. All within reason.

Mr. NELLIS. What is the qualification?

Mr. ANGERSOLA. I don't know; I don't know what questions you are going to ask me.

Mr. BLACK. I think a better way to put it would be that he will testify freely and fully as to questions that counsel will advise him he might properly testify to, instead of leaving it to his judgment.

Mr. ANGERSOLA. That is right.

Mr. BLACK. I am in a position where I know nothing of the facts. I cannot tell the implications of a question.

The CHAIRMAN. Well, now, you have already put a claim in for expenses for your appearance?

Mr. ANGERSOLA. No, sir.

The CHAIRMAN. Or you will?

Mr. ANGERSOLA. No, sir.

The CHAIRMAN. Or you expect to?

Mr. ANGERSOLA. No, sir; I don't think so.

The CHAIRMAN. Doesn't the matter of expenses mean anything to you?

Mr. ANGERSOLA. No, sir.

The CHAIRMAN. If the postponement is granted?

Mr. ANGERSOLA. I will be on my own expense.

The CHAIRMAN. You will be here at your own expense?

Mr. ANGERSOLA. Yes, sir.

The CHAIRMAN. And you will defray any expenses incident to the postponement?

Mr. ANGERSOLA. Yes, sir.

Mr. BLACK. Will that be true of your brother, too?

Mr. ANGERSOLA. Yes, sir.

The CHAIRMAN. Well, now, Mr. Angersola, we are safe, then, in assuming that if the postponement is granted, that you will come back and will be willing to tell us anything you know?

Mr. ANGERSOLA. Yes, sir.

The CHAIRMAN. And just discuss with us the associations you have had, and your knowledge of the activities of other people. That would be your intention, would it not?

Mr. ANGERSOLA. I don't know just what you are talking about.

The CHAIRMAN. You would be willing to tell us what you know about the activities of other people?

Mr. ANGERSOLA. I will tell you about myself. I couldn't tell you anything about other people.

Mr. NELLIS. What you know, the Chairman said, would you be willing to tell what you know of the activities?

Mr. ANGERSOLA. What I know.

Mr. NELLIS. You would not claim privilege with respect to that knowledge; is that right?

Mr. ANGERSOLA. Not if my attorney is here.

Mr. BLACK. Well, the way Kaplan put it to me, he said, "I do not want the man held for contempt, I do not want him to commit perjury. I want him to answer where he can answer, and I want him to tell the truth."

You see, I cannot advise him. I know the implications of no questions, and I know nothing about these people at all.

The CHAIRMAN. Well, under the circumstances we feel that a continuance ought to be granted.

Mr. BLACK. Thank you.

The CHAIRMAN. And we are putting it down, therefore, for hearing 3 weeks hence, 3 weeks from today, and, of course, it is understood that it is at your own expense and you will return then with Mr. Kaplan, prepared to answer the questions that are put to you.

Mr. ANGERSOLA. Yes, sir.

The CHAIRMAN. That is agreeable to you?

Mr. ANGERSOLA. Just a minute, Mr. Chairman. What if, say, accidentally, he is not ready to come? I am just saying that—

The CHAIRMAN. Counsel has been very fair about it. Mr. Black has been very fair.

Mr. ANGERSOLA. Well, I don't know.

The CHAIRMAN. He is the one who stated that, and he has long experience. He knows what reasonable things are.

Mr. BLACK. Let it rest this way—

The CHAIRMAN. Well, we won't talk about that, we are not talking about a postponement on a postponement.

Mr. BLACK. That is right.

The CHAIRMAN. And we will make that telegram an exhibit.

(The telegram referred to above was marked "John Angersola Exhibit No. 1," and is as follows:)

NEW YORK, N. Y., June 18, 1951.

JOHN KING,

*The champion left Miami, 915-A, car F-155, bedroom B, Florida East Coast Railroad, due about 3 p. m. or forward, Jacksonville, Fla.:*

The doctors say it is utterly impossible for me to leave my sick bed. Am still under the care of two nurses and three physicians. Point out that I was only operated on several weeks ago at the New York Hospital. While we have spent many hours reviewing the facts as well as your status it is unfortunate that I cannot be there to advise you. I feel the committee should grant you a reasonable postponement so that my appearance with you can be possible. I have asked my dear friend, Loring Black, to appear in my behalf and state the situation in support of my request for postponement. He will arrange to meet you.

Sincerely,

FRED D. KAPLAN,  
*Savoy Plaza Hotel, New York City.*

Mr. BLACK. Now, Mr. Chairman, would that apply to the brother too?

The CHAIRMAN. Well, I think the brother ought to come in.

Mr. NELLIS. Yes; he should appear under oath.

The CHAIRMAN. Yes. So you can bring him right in now, and this man may stay, if you care to have him stay.

Off the record.

(Discussion off the record.)

The CHAIRMAN. Back on the record.

You are Mr. George Angersola?

Mr. ANGERSOLA. Yes.

The CHAIRMAN. In the presence of the Almighty God, do you swear that the testimony you are about to give shall be the truth, the whole truth, and nothing but the truth?

Mr. ANGERSOLA. Yes, sir.

**TESTIMONY OF GEORGE ANGERSOLA, CLEVELAND, OHIO, ACCOMPANIED BY LORING M. BLACK, ATTORNEY**

The CHAIRMAN. Mr. Black, you represent this gentleman, too?

Mr. BLACK. Yes; I represent him.

The CHAIRMAN. Mr. Angersola, a telegram has been received and read by the committee, from Mr. Kaplan. Mr. Kaplan is your regular lawyer?

Mr. ANGERSOLA. Yes, sir.

The CHAIRMAN. And temporarily ex-Congressman Black is representing you; is that right?

Mr. ANGERSOLA. Yes, sir.

The CHAIRMAN. Would you kindly answer out loud?

Mr. ANGERSOLA. Yes, sir.

The CHAIRMAN. Now, it is represented to the committee that Mr. Kaplan is recovering from an operation in the hospital, and is expected to be able to appear in 3 weeks, and it is requested of the subcommittee that we postpone the hearing of this matter until he is able to appear. Is that your wish?

Mr. ANGERSOLA. Yes, sir.

The CHAIRMAN. Mr. Angersola, as in the case of your brother, the committee said that if the postponement is granted it will be at your own expense.

Mr. ANGERSOLA. Yes.

The CHAIRMAN. And he has indicated that is satisfactory with him. Is that satisfactory with you, too?

Mr. ANGERSOLA. Yes, sir.

The CHAIRMAN. And furthermore, it also has been indicated that if the postponement is granted, and it goes off for 3 weeks, when you come back you would be willing to answer the questions that are put to you by the subcommittee.

Mr. BLACK. Subject to your counsel's advice.

The CHAIRMAN. Yes; that you will answer the questions fully and completely.

Mr. ANGERSOLA. Yes, sir.

The CHAIRMAN. Is that correct and truthful?

Mr. ANGERSOLA. Yes, sir.

The CHAIRMAN. All right. Then, under the circumstances we will grant a postponement of 3 weeks.

Thank you very much, Mr. Angersola.

Mr. ANGERSOLA. Thank you very much.

Mr. BLACK. Thank you.

The CHAIRMAN. Call your next witness.

Mr. NELLIS. The next witness will be Mr. Miller.

The CHAIRMAN. Mr. Miller, as is the custom, we will ask you to be sworn.

Mr. MILLER. All right.

The CHAIRMAN. In the presence of the Almighty God, do you swear that the testimony you are about to give shall be the truth, the whole truth, and nothing but the truth?

Mr. MILLER. I do.

**TESTIMONY OF SAMUEL MILLER, MIAMI BEACH, FLA., ACCOMPANIED BY JOHN T. FEIGHAN, JR., AND MARTIN A. McCORMACK, ATTORNEYS, CLEVELAND, OHIO**

The CHAIRMAN. Pardon me, counsel. We were talking entirely about something else.

Now, will you give us your full name, please?

Mr. MILLER. Samuel Miller.

The CHAIRMAN. Your address?

Mr. MILLER. 4646 Pine Tree Drive, Miami Beach, Fla.

The CHAIRMAN. Will you keep your voice up, please, and speak distinctly, so that the reporter can get it, please?

Mr. MILLER. All right.

The CHAIRMAN. Where have you lived besides in Miami?

Mr. MILLER. I have lived in Cleveland.

The CHAIRMAN. In Cleveland?

Mr. MILLER. Yes.

The CHAIRMAN. I just want to get the address. How long did you live in Cleveland?

Mr. MILLER. Oh, maybe 50 years.

The CHAIRMAN. Fifty years. Fine. All right, Mr. Nellis, will you question?

Mr. NELLIS. Have you ever been arrested, Mr. Miller?

Mr. MILLER. Yes, sir.

Mr. NELLIS. When was the first arrest; do you recall?

Mr. MILLER. It has been a long time ago.

Mr. NELLIS. Well, were you arrested in 1941?

Mr. MILLER. In 1941? I think so.

Mr. NELLIS. And that was in connection with what?

Mr. MILLER. I don't remember. I might have been arrested two or three times.

Mr. NELLIS. What was it in connection with? Were you arrested for violating a speed law, or what?

Mr. MILLER. I don't remember.

Mr. NELLIS. Was it a gambling arrest, Mr. Miller?

Mr. MILLER. It could be.

Mr. NELLIS. It was for maintaining a gambling operation, was it not?

Mr. MILLER. Possibly.

Mr. NELLIS. Is that right?

Mr. MILLER. Possibly.

Mr. NELLIS. Are you presently a partner in a gambling establishment?

Mr. MILLER. No, sir.

Mr. NELLIS. Are you not a partner in the Island Club?

Mr. MILLER. That is out of business.

Mr. NELLIS. Since when?

Mr. MILLER. Approximately March.

Mr. NELLIS. Not possibly—

Mr. MILLER. I said approximately.

Mr. NELLIS. Oh, approximately.

Mr. MILLER. Yes.

Mr. NELLIS. Approximately when?

Mr. MILLER. Approximately March, some time in March.

Mr. NELLIS. Of this year?

Mr. MILLER. Of last year.

Mr. NELLIS. 1950?

Mr. MILLER. Right.

Mr. NELLIS. Now, since 1950, have you been in any gambling establishments?

Mr. MILLER. No, sir.

Mr. NELLIS. You have had no interest in any gambling operations at all?

Mr. MILLER. No, sir.

Mr. NELLIS. Prior to your partnership—by the way, who was your partner in the Island Club?

Mr. MILLER. There were several partners in there.

Mr. NELLIS. Who were they, Mr. Miller?

Mr. MILLER. One was Jack Friedlander.

Mr. NELLIS. Of the S. & G. Syndicate?

Mr. MILLER. That is right.

Mr. NELLIS. Yes?

Mr. MILLER. And Sam Cohen.

Mr. NELLIS. Sam Cohen, also of the S. & G. Syndicate?

Mr. MILLER. Right. And Herbert Manheim.

Mr. NELLIS. Herbert Manheim, who is he?

Mr. MILLER. Well, he used to be a Cleveland boy, he moved to Detroit and then moved to Florida.

Mr. NELLIS. And who else?

Mr. MILLER. I believe there was J. M. Saigh.

Mr. NELLIS. Is that spelled S-a-i-g-h?

Mr. MILLER. Right.

Mr. NELLIS. Who is he, Mr. Miller; also a former Clevelander?

Mr. MILLER. No. I met him in Miami Beach. I never knew him before, I got acquainted with him down there.

Mr. NELLIS. Keep your voice up.

Mr. MILLER. I got acquainted with him down there in Florida.

Mr. NELLIS. Is that the complete list of partners?

Mr. MILLER. Well, that is Sam Cohen, Jack Friedlander, Jimmie Saigh, and Manheim and myself.

Mr. NELLIS. By the way, when did you first go into this partnership in the Island Club?

Mr. MILLER. In early July, July 1, but I couldn't tell you the exact year, it was on July 1.

Mr. NELLIS. You remember the month, but not the year?

Mr. MILLER. Well, it could be 1949.

Mr. NELLIS. 1949; that recent?

Mr. MILLER. Yes, sir.

Mr. NELLIS. Prior to July 1949, what gambling establishment were you connected with?

Mr. MILLER. None.

Mr. NELLIS. Was your first venture into the casino business this one, Mr. Miller?

Mr. MILLER. No, sir.

Mr. NELLIS. Isn't it a fact that prior to this time you had an interest, first as an employee, and then as a partner in northern Kentucky?

Mr. MILLER. I never was an employee.

Mr. NELLIS. But you were a partner?

Mr. MILLER. Yes, sir.

Mr. NELLIS. What clubs, Mr. Miller?

Mr. MILLER. Just one.

Mr. NELLIS. What club?

Mr. MILLER. Lookout House.

Mr. NELLIS. With Jimmie Brink?

Mr. MILLER. That is right.

Mr. NELLIS. How did you happen to get into that operation, Mr. Miller?

Mr. MILLER. Well, they sent for me.

Mr. NELLIS. Who is this?

Mr. MILLER. Mr. Brink, pardon me.

Mr. NELLIS. Mr. Brink?

Mr. MILLER. Yes.

Mr. NELLIS. Go ahead, sir.

Mr. MILLER. They wasn't doing much business there, and I was pretty well known, they sent for me.

Mr. NELLIS. You were pretty well known in the gambling business?

Mr. MILLER. That is right.

Mr. NELLIS. And they sent for you and the object was for you to stimulate business?

Mr. MILLER. To operate the place, that is right.

Mr. NELLIS. And did you have anything to do with bringing Kleinman and Rothkopf and Tucker into that operation?

Mr. MILLER. I will have to refuse to answer that question for fear it may incriminate me.

The CHAIRMAN. Incriminate you of what?

Mr. MILLER. (Discussing with counsel.)

Mr. NELLIS. Incriminate you of what?

Mr. McCORMACK. May we have a conference?

The CHAIRMAN. Go ahead.

(Counsel conferring with witness.)

The CHAIRMAN. What is your answer?

Mr. MILLER. I was a-scared of a Federal prosecution.

The CHAIRMAN. You was a-scared of it?

Mr. MILLER. Yes.

The CHAIRMAN. When was you a-scared of it?

Mr. MILLER. Right now.

The CHAIRMAN. Federal prosecution for what?

Mr. MILLER. Violating, any violation.

The CHAIRMAN. What violation?

Mr. MILLER. Any violation in the gambling business.

The CHAIRMAN. Well, all violations in the gambling business are not possibly Federal offenses.

Mr. NELLIS. Do you know of any Federal statute against gambling?

Mr. MILLER. I don't know of any laws, that is why——

Mr. NELLIS. Surely, you know there is no Federal law against gambling; don't you know that, Mr. Miller? I think your counsel will gladly corroborate that statement.

Mr. McCORMACK. I know that, but he does not.

Mr. NELLIS. Then advise him that there is not.

(Counsel conferring with witness.)

The CHAIRMAN. Go ahead.

Mr. NELLIS. Are you ready to answer, Mr. Miller? By the way——

The CHAIRMAN. Just let him answer first. You were asked whether you were ready to answer.

Mr. MILLER. I refuse to answer that question.

The CHAIRMAN. As to whether you know if there is any Federal statute against gambling?

Mr. MILLER. That is right.

The CHAIRMAN. You refuse to answer that?

Mr. MILLER. That is right.

The CHAIRMAN. All right. Next question.

Mr. FEIGHAN. May we have a conference?

The CHAIRMAN. Yes.

(Counsel conferring with witness.)

Mr. MILLER. I was scared of a Federal violation.

The CHAIRMAN. Yes. But now my question is, Do you know of any Federal statute which prohibits gambling?

Mr. MILLER. No; I don't know of any, but I was a-scared of a Federal violation. My brother-in-law got indicted.

Th CHAIRMAN. For what?

Mr. MILLER. Operation of gambling.

The CHAIRMAN. Indicted by whom, by what court?

Mr. MILLER. I believe it was Chicago.

The CHAIRMAN. A State court?

Mr. MILLER. Federal.

The CHAIRMAN. A Federal court?

Mr. MILLER. Yes.

The CHAIRMAN. Go ahead, Mr. Nellis.

Mr. NELLIS. I don't quite see the connection between your brother-in-law's indictment and your professed fear. How are you involved in that? Were you indicted that way, too? I mean, were you indicted in Chicago?

Mr. MILLER. No; I was not.

Mr. NELLIS. How are you involved in that, Mr. Miller?

Mr. MILLER. Federal violation.

Mr. NELLIS. Are you a partner of Morris Wexler?

Mr. MILLER. Yes, sir.

Mr. NELLIS. In what business?

Mr. MILLER. Empire News.

Mr. NELLIS. And what is the business of the Empire News?

Mr. MILLER. Selling news.

Mr. NELLIS. What kind of news?

Mr. MILLER. Sporting events.

Mr. NELLIS. Race results?

Mr. MILLER. All kinds; yes, sir.

Mr. NELLIS. And who do they sell that news to?

Mr. MILLER. Anybody who wants it.

Mr. NELLIS. Where do they get news to sell?

Mr. MILLER. I don't know. I have not been active in that business, and I don't know where they get it.

Mr. NELLIS. Are you sort of a silent partner?

Mr. MILLER. No; not a silent partner?

Mr. NELLIS. You say you have not been active in the business.

Mr. MILLER. That is right.

Mr. NELLIS. What do you mean, you have not taken any part in it?

Mr. MILLER. That is right.

Mr. NELLIS. But you draw an income from it?

Mr. MILLER. Yes, sir.

Mr. NELLIS. Yet you don't know how it operates?

Mr. MILLER. That is right.

Mr. NELLIS. You don't know anything about who it sells to?

Mr. MILLER. That is right.

Mr. NELLIS. You don't know anything about who it buys from?

Mr. MILLER. That is right.

Mr. NELLIS. What service have you performed for this partnership for which you should draw an income?

Mr. MILLER. I originally had the news service in Cleveland, a long time ago, and I got sick and tired of it, and turned it over to my brother-in-law.

Mr. NELLIS. And you retained an interest?

Mr. MILLER. Yes, sir.

Mr. NELLIS. And the business carries your interest, presumably because you were the founder of the business; is that right?

Mr. MILLER. That is right.

Mr. NELLIS. Well, we will get back to the Lookout House.

Did you know that Kleinman and Rothkopf and Tucker and Dalitz were partners in that business?

Mr. MILLER. I refuse to answer that question.

Mr. NELLIS. Mr. Chairman, I would like to ask the chairman to direct the witness to answer the three refusals that are on the record.

The CHAIRMAN. Counsel, as in connection with the previous witness, and we need not go over it all again——

Mr. FEIGHAN. Yes, sir.

The CHAIRMAN (continuing). We feel that the witness must be directed to answer in respect to the several questions that he has refused to answer, and we will ask you if your advice to him is that he still persist in his declination, and we will understand that it is for the reason heretofore given.

Mr. McCORMACK. Yes. And may the record show that wherever he says that he refuses to answer that it is bottomed on his constitutional privilege.

The CHAIRMAN. That is right. And is it agreed to by you that it is understood that we do insist upon his answering, and he still refuses?



Mr. McCORMACK. Oh, yes; sure.

Mr. MOSER. To make it clear for the record, the refusal to answer is based upon his fear of incrimination.

Mr. McCORMACK. Incrimination under the Federal law, Federal prosecution.

Mr. MOSER. Yes. Now, the chairman referred to the previous witness, and by the previous witness he meant Morris Wexler.

Mr. McCORMACK. All right. Thank you, gentlemen.

Mr. NELLIS. Now, Mr. Miller, were you ever in any other gambling operations besides the Lookout House and the Island Club in Miami?

Mr. MILLER. I believe I was.

Mr. NELLIS. You were?

Mr. MILLER. Yes, sir.

Mr. NELLIS. Would you tell us about them, where were they, and who was with you in this operation? Who was with you in any club, for example, in Cleveland?

Mr. MILLER. Well, I was.

The CHAIRMAN. What club was that, sir?

Mr. MILLER. The Thomas Club.

Mr. NELLIS. The Thomas Club?

Mr. MILLER. Yes, sir.

Mr. NELLIS. Who were your partners there, Mr. Miller?

Mr. MILLER. I refuse to answer that question.

Mr. NELLIS. When was the Thomas Club in operation?

Mr. MILLER. 1931.

Mr. NELLIS. And when did it cease operating?

Mr. MILLER. I think about 1945.

Mr. NELLIS. Isn't that about the time, I was going to suggest that date to you, because Governor Lausche testified in Cleveland that about that date he gave orders to close the Thomas Club. You knew about that, didn't you?

Mr. MILLER. I don't remember that. I was not in Cleveland when it closed.

Mr. NELLIS. When did you cease being a partner in the Thomas Club?

Mr. MILLER. I got arrested there, and when I got arrested I ceased from being partners. That was the end of the club.

Mr. NELLIS. What year was that?

Mr. MILLER. I think it was about 1945.

Mr. NELLIS. About 1945?

Mr. MILLER. 1945; yes, sir.

Mr. NELLIS. Actually, Mr. Miller, when you say you refuse to answer for fear of incriminating yourself, isn't it a fact that you are more concerned about the fact that you might incriminate somebody else?

Mr. MILLER. I am only interested in myself.

Mr. NELLIS. Do you fear any physical violence for disclosing any information you might have about a gambling operation with other partners?

Mr. MILLER. I don't understand that question.

Mr. NELLIS. Let's assume you had a group of partners in the Thomas Club. You did have a group of partners, did you not?

Mr. MILLER. There was a couple.

Mr. NELLIS. Is that right?

Mr. MILLER. Yes, sir.

Mr. NELLIS. When I asked you about who they were, you said you refused to answer on the ground that it might tend to incriminate you.

Mr. MILLER. That is right.

Mr. NELLIS. Didn't it strike you odd that you are willing to testify that you were a partner in an illegal gambling establishment, but when you are asked who your partners were that you decline to testify on the ground that you think it might incriminate you? Isn't that peculiar?

Mr. MILLER. I don't understand.

Mr. NELLIS. Are you protecting anybody?

Mr. MILLER. No, sir.

Mr. NELLIS. Do you fear any physical violence from anyone for any testimony you might give here?

Mr. MILLER. No, sir.

Mr. NELLIS. Well now, let's see, in 1945 you were arrested in Memphis, Tenn., weren't you?

Mr. MILLER. That is right.

Mr. NELLIS. And with Blank?

Mr. MILLER. That is right.

Mr. NELLIS. Who is also a gambler; is that right?

Mr. MILLER. I don't know if he is a gambler. He was a clerk in a gambling house.

Mr. NELLIS. At the time you were arrested you had some gambling equipment in your possession, isn't that right?

Mr. MILLER. No, sir.

Mr. NELLIS. Well, the police report shows that you had dice and various other portable gambling equipment there at that time. Is that an inaccuracy?

Mr. MILLER. I had one deck of cards and one pair of dice that was in the bag, and they called it gambling paraphernalia.

Mr. NELLIS. In any event, you left the jurisdiction and forfeited your bond, didn't you?

Mr. MILLER. I didn't forfeit my bond. They told me I did not have to appear.

Mr. NELLIS. You never appeared before the judge due to that charge?

Mr. MILLER. No, sir.

Mr. NELLIS. And it cost you about \$150, or some such sum?

Mr. MILLER. A little bit more.

Mr. NELLIS. Well, \$170.

Mr. MILLER. A little more, I think.

Mr. NELLIS. Now, do you know Charles Polizzi?

Mr. MILLER. Yes, sir.

Mr. NELLIS. Have you been in business with him?

Mr. MILLER. No, sir.

Mr. NELLIS. Was he not a partner in the Lookout Club at the time you were there?

Mr. MILLER. If he was, I don't know anything about it.

Mr. NELLIS. Do you know John and George Angersola?

Mr. MILLER. Yes, sir.

Mr. NELLIS. Have you ever been in any gambling establishment with them?

Mr. MILLER. Not that I know of.

Mr. NELLIS. Why do you say not that you know of? Is it possible for you to be a partner in an enterprise and not know who your partners are?

Mr. MILLER. Maybe I worded it wrong. I never had no business with them in those gambling places.

Mr. NELLIS. How did you get in with the S. & G. Syndicate in this Island Club in Miami? How did that come about?

Mr. MILLER. The S. & G. Syndicate had nothing to do with it.

Mr. NELLIS. Let me see. You testified that at least two members of the S. & G. Syndicate were partners in that club.

Mr. MILLER. I beg your pardon?

Mr. NELLIS. Now, wait a minute. Jack Friedlander was a partner.

Mr. MILLER. In the Island Club.

Mr. NELLIS. That is what I am talking about, the Island Club.

Mr. MILLER. Jack Friedlander was a partner in that.

Mr. NELLIS. And also Sam Cohen.

Mr. MILLER. Sam Cohen is right.

Mr. NELLIS. Who was also a member of the S. & G. Syndicate?

Mr. MILLER. I don't know about Jack Friedlander being with the S. & G. Syndicate.

Mr. NELLIS. But you do know about Sam Cohen?

Mr. MILLER. That is right.

Mr. NELLIS. When I asked you about it before you stated that you knew he was a member of the syndicate.

Mr. MILLER. Sam Cohen was?

Mr. NELLIS. No. I am talking about Jack Friedlander.

Mr. MILLER. Oh; sorry.

Mr. NELLIS. In any event, how did you happen to get into that gambling business with these individuals? Did you approach them, or how did it happen?

Mr. FEIGHAN. May we have a conference?

(Witness confers with counsel.)

Mr. NELLIS. Are you ready to answer that, Mr. Miller?

Mr. McCORMACK. What was the question?

The CHAIRMAN. Will the secretary read it?

Mr. NELLIS. I can rephrase it.

The question was, how did you happen to get into this enterprise with the S. & G. Syndicate and the other partners that you mentioned?

Mr. MILLER. Through Mr. Sam Cohen.

Mr. NELLIS. He approached you?

Mr. MILLER. Yes, sir.

Mr. NELLIS. Why did he approach you?

Mr. MILLER. I guess he thought I was qualified for it.

Mr. NELLIS. Did he know——

Mr. MILLER. Capable.

Mr. NELLIS. Pardon me?

Mr. MILLER. Capable.

Mr. NELLIS. In this business?

Mr. MILLER. Yes.

Mr. NELLIS. Did he know that you had a reputation in this business?

Mr. MILLER. I imagine he did.

Mr. NELLIS. And that you knew your way around?

Mr. MILLER. I guess so.

Mr. NELLIS. Have you had any legitimate enterprise in the last 10 years, Mr. Miller?

Mr. FEIGHAN. May we have a conference?

(Witness confers with counsel.)

Mr. NELLIS. Are you ready now, Mr. Miller?

Mr. MILLER. Pardon?

Mr. NELLIS. Are you ready now, sir?

Mr. MILLER. Yes.

Mr. NELLIS. All right, sir. What is your answer?

Mr. MILLER. Will you repeat the question, please?

The CHAIRMAN. Will you read the question?

(The question was read by the reporter.)

Mr. MILLER. Only with the Empire News.

Mr. NELLIS. Only the Empire News?

Mr. MILLER. Yes.

Mr. NELLIS. And otherwise you have earned your living exclusively in the gambling business; is that right?

Mr. MILLER. That is right.

Mr. NELLIS. Have you ever been in any illegitimate business besides the gambling business?

Mr. MILLER. No, sir.

Mr. NELLIS. Did you ever hear of a place called the Frolics Club?

Mr. MILLER. Yes, sir.

Mr. NELLIS. Did you have an interest in that?

Mr. MILLER. Yes, sir.

Mr. FEIGHAN. May we have a conference?

(Witness confers with counsel.)

Mr. NELLIS. Are you ready now, gentlemen?

Mr. MILLER. Yes.

Mr. NELLIS. The Frolics Club, was the question.

Mr. MILLER. What did you want to know about the Frolics Club?

Mr. NELLIS. You were a partner in that; is that right?

Mr. MILLER. Yes, sir.

The CHAIRMAN. Who were your partners?

Mr. MILLER. I had a partner in there named Moe Wolin.

Mr. NELLIS. Who?

Mr. MILLER. Moe Wolin.

Mr. NELLIS. How do you spell it?

Mr. MILLER. W-o-l-i-n.

Mr. NELLIS. And who is he?

Mr. MILLER. A boy from New York.

Mr. NELLIS. From New York?

The CHAIRMAN. Who else was partners?

Mr. MILLER. That is all I can remember.

Mr. MOSER. Is Wolin in the wire service in New York?

Mr. MILLER. Not that I know of.

Mr. NELLIS. Did you know about the raid on the club?

Mr. MILLER. Yes.

Mr. NELLIS. They seized about \$26,000 worth of equipment?

Mr. MILLER. Something like that.

Mr. NELLIS. Why did you and Wolin forfeit it?

Mr. MILLER. Forfeit what?

Mr. NELLIS. Forfeit the equipment when it was seized? Didn't you come into court and say that you wanted your equipment back?

Mr. MILLER. No, sir.

Mr. NELLIS. You did not do that, did you?

Mr. MILLER. No, sir.

Mr. NELLIS. You just let it go?

Mr. MILLER. That is right.

Mr. NELLIS. Why?

Mr. MILLER. I didn't think there was any chance to get it back.

Mr. NELLIS. Now, any other gambling enterprises?

Mr. MILLER. Not as I know of.

Mr. NELLIS. Now, you have named your partners in the Island Club; you have named them in the Frolics Club. But you will not name them in the Lookout House; is that right?

Mr. MILLER. All I know is Mr. Brink, and I don't know the other partners. I never knew the partners that were in there.

Mr. NELLIS. Your brothers were also active in the Frolics Club with you; is that right?

Mr. MILLER. Yes, sir; clerks.

Mr. NELLIS. Bobby Kaye is another partner in the Empire News Service with you?

Mr. MILLER. Yes, sir.

Mr. NELLIS. And what other business does he have, do you know?

Mr. MILLER. No; I don't.

Mr. NELLIS. Now, Mr. Miller, why did it take so long to find you for service of the subpoena?

Mr. MILLER. Well, I had a letter, and I was to appear, and I was a-scared.

Mr. NELLIS. You were a-scared?

Mr. MILLER. Yes.

Mr. NELLIS. Of what?

Mr. MILLER. To appear, because I was a-scared of a Federal violation.

Mr. NELLIS. You avoided service of the subpoena because you were a-scared?

Mr. MILLER. Until such time as I got in touch with Mr. Feighan, and he advised me to go in.

Mr. NELLIS. You made no effort to make yourself available for service to this committee; is that right?

Mr. MILLER. I was home at all times.

Mr. NELLIS. Did you observe whether anyone came to your home to try to serve a subpoena on you?

Mr. MILLER. Very much so.

Mr. NELLIS. Now, do you recall when Mr. Jack Friedlander testified here in Washington?

Mr. MILLER. I read it in the paper that he did.

Mr. NELLIS. Did you see him after he returned from testifying here?

Mr. MILLER. I have seen him since; yes.

Mr. NELLIS. Did he deliver a message from this committee to you?

Mr. MILLER. No, sir.

Mr. NELLIS. Did he not tell you that he was asked specifically to advise you to appear for service?

Mr. MILLER. No; he did not.

Mr. NELLIS. You have been arrested in Miami, Fla., have you not?

Mr. MILLER. Miami.

Mr. NELLIS. Yes.

Mr. MILLER. Yes, sir.

Mr. NELLIS. That was in connection with maintaining a gambling operation?

Mr. MILLER. Yes.

Mr. NELLIS. Is that right?

Mr. MILLER. Yes.

Mr. NELLIS. And you were fined \$100, or 42 days in jail?

Mr. MILLER. No jail.

Mr. NELLIS. No jail?

Mr. MILLER. But \$100.

Mr. NELLIS. You paid a fine?

Mr. MILLER. Yes, sir.

Mr. NELLIS. What were you doing in Hot Springs, Ark., when you were a-scard?

Mr. MILLER. Nothing; just taking the baths for my health.

Mr. NELLIS. You travel quite a bit, do you not, Mr. Miller?

Mr. MILLER. Not necessarily.

Mr. NELLIS. Let us see. Have you been out in Nevada?

Mr. MILLER. I was there 5 or 6 years ago for a few days.

Mr. NELLIS. Did you ever work in Hot Springs?

Mr. MILLER. Work?

Mr. NELLIS. Yes.

Mr. MILLER. No, sir.

Mr. NELLIS. Or in New Orleans?

Mr. MILLER. No, sir.

Mr. NELLIS. Have you ever been to Saratoga Springs, N. Y.?

Mr. MILLER. Yes, sir.

Mr. NELLIS. What did you do up there?

Mr. MILLER. Go to the races.

Mr. NELLIS. Did you patronize the gambling houses?

Mr. MILLER. Night clubs.

Mr. NELLIS. How much money do you draw from the Empire Service Co., Mr. Miller?

Mr. McCORMACK. May we have a conference?

(Witness confers with counsel.)

The CHAIRMAN. What is your answer?

Mr. MILLER. Will you repeat the question, please?

The CHAIRMAN. Will you read it please?

(Thereupon, the question was read by the reporter.)

Mr. MILLER. That is a matter of record, sir.

Mr. NELLIS. I am asking you. You are under oath here. Answer it.

Mr. MILLER. I don't know exactly. That is why I can't answer it.

The CHAIRMAN. Approximately, to the best of your knowledge?

Mr. FEIGHAN. To the best of your knowledge.

Mr. MILLER. I don't know.

The CHAIRMAN. What was your financial arrangement?

Mr. MILLER. I have one-third interest.

The CHAIRMAN. One-third.

Mr. MILLER. I have one-third interest in the Empire Service—

The CHAIRMAN. You made a report of income taxes?

Mr. MILLER. Yes, sir.

The CHAIRMAN. You must know about how much you are getting paid.

Mr. MILLER. I haven't been active in it, and to be very truthful, I haven't gotten my copy of my returns. I have been in Florida sick, and my returns are still in Cleveland.

The CHAIRMAN. We do not expect you to know to the dollar, but just approximately.

Mr. NELLIS. Approximately.

Mr. MILLER. Thirty thousand dollars or forty thousand dollars.

Mr. NELLIS. That is your interest in the Empire Service Co.; is that right?

Mr. MILLER. Yes, sir.

Mr. NELLIS. Now, how much over the period of the last few years have you earned in addition to that sum, in your gambling operations?

Mr. MILLER. Nothing outside of the Island Club.

Mr. NELLIS. And that terminated when? In 1949?

Mr. MILLER. In 1949; 1949 and 1950, I believe.

Mr. NELLIS. So that in 1950, and as of now, you are living on your Empire Service Co.; is that right?

Mr. MILLER. That is right.

Mr. NELLIS. What was your income from the Island Club?

Mr. MILLER. Approximately about \$15,000.

Mr. NELLIS. Fifteen thousand dollars?

Mr. MILLER. Yes.

Mr. NELLIS. So that your income was at one time around \$50,000 a year; is that right?

Mr. MILLER. It could be; yes.

Mr. NELLIS. Did you have any income from any other source?

Mr. MILLER. No, sir.

Mr. NELLIS. Just those two?

Mr. MILLER. That is right.

Mr. NELLIS. Do you have an agreement with your other partners to draw \$30,000 a year?

Mr. MILLER. There was no agreement there; just a partnership.

Mr. NELLIS. I mean, do you have a written agreement?

Mr. MILLER. We have nothing in writing.

Mr. NELLIS. What guaranty do you have that you will continue to have that income?

Mr. MILLER. I have no guaranty.

Mr. NELLIS. You perform no services for the partnership whatsoever?

Mr. MILLER. No, sir.

Mr. NELLIS. And you have testified you know nothing about the news business?

Mr. MILLER. Right.

Mr. NELLIS. Is that right?

Mr. MILLER. Right.

Mr. NELLIS. How often do you go to Cleveland?

Mr. MILLER. This is the second time in 4 years.

Mr. NELLIS. I have no other questions.

The CHAIRMAN. Very well.

That will conclude your testimony.

(Thereupon, at 4 p. m., the subcommittee adjourned until 10:30 a. m., Wednesday, June 20, 1951.)





# INVESTIGATION OF ORGANIZED CRIME IN INTERSTATE COMMERCE

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MONDAY, AUGUST 6, 1951

UNITED STATES SENATE,  
SUBCOMMITTEE OF THE SPECIAL COMMITTEE TO  
INVESTIGATE ORGANIZED CRIME IN INTERSTATE COMMERCE,  
*Washington, D. C.*

## EXECUTIVE SESSION

The subcommittee met, pursuant to notice, at 1:30 p. m., in room P-36, Capitol Building, Senator Herbert R. O'Connor (chairman), presiding.

Present: Senators O'Connor and Hunt.

Also present: Downey Rice, associate counsel, Norman Polski, assistant counsel, Murray Jackson, investigator, Julius Cahn, assistant to Senator Wiley, and James M. Hepbron, administrative assistant.

The CHAIRMAN. The hearing will please come to order.

In opening this executive session, I desire to note for the record that pursuant to a resolution of the full committee the chairman of the committee, the Senator from Maryland, is authorized to appoint a subcommittee, which has been done, and the Senator from Maryland is appointed as a subcommittee for this immediate purpose.

Mr. Rice, will you proceed—but first, counsel is here.

Mr. RICE. This is Mr. Hurwitz. Are you represented by counsel, sir?

Mr. HURWITZ. Yes; this is my counsel.

Mr. SIEGEL. My name is Henry Siegel, 1420 Munsey Building, Baltimore, Md.

Mr. RICE. How do you spell your name, Mr. Hurwitz?

Mr. HURWITZ. H-u-r-w-i-t-z, and my first name is Philip, and I spell that name with one "l."

Mr. RICE. Where do you live?

Mr. HURWITZ. 3218 Falstaff Road, Baltimore.

Mr. RICE. What is your telephone number?

Mr. HURWITZ. Forest 7437.

The CHAIRMAN. That is sufficient identification. I think that we will ask the witness to be sworn.

In the presence of the Almighty God do you swear that the testimony you are about to give shall be the truth, the whole truth, and nothing but the truth?

Mr. HURWITZ. I do.

**TESTIMONY OF PHILIP HURWITZ, BALTIMORE, MD., ACCOMPANIED BY HENRY SIEGEL, ATTORNEY, BALTIMORE, MD.**

The CHAIRMAN. Incidentally, by way of identification, I might say that Mr. Siegel was previously assistant State's attorney of Baltimore City. He is very well and favorably known to us.

Mr. SIEGEL. Thank you, Senator.

The CHAIRMAN. Mr. Rice, will you proceed, please?

Mr. RICE. Have you been known by any other names?

Mr. HURWITZ. Yes; I had a nickname of "Peg."

Mr. RICE. How is that spelled?

Mr. HURWITZ. I don't know; it is either "Peg" or "Pag."

Mr. RICE. Why do they call you that?

Mr. HURWITZ. I don't know, sir. That has been with me for maybe 45 years. It might have been, though, when I was in the concession business. It may have been brought out at that time; I don't remember.

Mr. RICE. Does that relate in any way to concessions?

Mr. HURWITZ. No, no; I don't know where the name came from, but it has been sticking with me for 45 years.

Mr. RICE. What sort of a concession—at carnivals?

Mr. HURWITZ. That is right; carnivals and fairs in those days.

Mr. RICE. What were your specialties?

Mr. HURWITZ. What was I specializing in?

Mr. RICE. Yes.

Mr. HURWITZ. Blankets and baby dolls and kewpie dolls; that was many years ago.

Mr. RICE. Were you selling them?

Mr. HURWITZ. No; on a raffle.

Mr. RICE. On the wheels?

Mr. HURWITZ. Yes; in the States where it was permitted, of course.

Mr. RICE. Where were you born, Mr. Hurwitz?

Mr. HURWITZ. In Baltimore, Md.

Mr. RICE. When was that?

Mr. HURWITZ. 1895; February 1.

Mr. RICE. And you have lived there off and on all your life?

Mr. HURWITZ. That is right.

Mr. RICE. Have you ever been arrested?

Mr. HURWITZ. No.

Mr. RICE. You have never been arrested?

Mr. HURWITZ. No.

Mr. SIEGEL. Did you understand the question?

Mr. HURWITZ. Yes. Have I ever been arrested?

Mr. SIEGEL. Just a moment. That is not correct. I just don't want to interfere, but I would like to have the record straight, if I may.

Mr. RICE. Yes; go right ahead, Mr. Siegel.

Mr. SIEGEL. Tell these folks about 1936.

Mr. HURWITZ. Well, if you call that an arrest—

Mr. SIEGEL. You were indicted and you were released on bail?

Mr. HURWITZ. They know that. I gave them that information.

Mr. SIEGEL. Well, you must give it to them. That technically was an arrest. You were released on bail.

Mr. RICE. Yes. You have got to treat us as if we do not know anything about it.

Mr. HURWITZ. Well, I told the investigator voluntarily about that, without them questioning me about it.

Mr. RICE. What was that incident?

Mr. HURWITZ. It was supposed to have been for being in the numbers business.

Mr. RICE. Well, what was it for?

Mr. HURWITZ. For the numbers business, I was supposed to have been in it, but I was not in the business then.

Mr. RICE. They arrested you and they put you under a bond?

Mr. HURWITZ. Yes.

Mr. RICE. Did you stand trial?

Mr. HURWITZ. No.

Mr. RICE. What happened to the case?

Mr. HURWITZ. I don't know whether they call it nolle pros—was it?

Mr. SIEGEL. Yes.

Mr. RICE. Yes. Was anyone arrested with you?

Mr. HURWITZ. With me?

Mr. RICE. Yes.

Mr. HURWITZ. No. I was alone but there were a lot of others that were arrested in the State, in the city.

Mr. RICE. At the same time?

Mr. HURWITZ. Yes.

Mr. RICE. It was a general round-up?

Mr. HURWITZ. I would say "Yes."

Mr. RICE. Where were you when they arrested you?

Mr. HURWITZ. When you say arrested, I don't know what you mean. I came out of Mr. Siegel's office, or I mean, Mr. Landsberg's office, when I was told about it.

Mr. RICE. And then you went down and surrendered?

Mr. HURWITZ. The bail was put up, and I didn't even go down.

Mr. RICE. Well, were you fingerprinted in that connection?

Mr. HURWITZ. Not that I know of.

Mr. RICE. Have you ever been fingerprinted?

Mr. HURWITZ. In Washington here because the liquor laws require it. I have it with me now if you want to see it.

Mr. RICE. That was about the ABC?

Mr. HURWITZ. That is right.

Mr. RICE. What liquor business do you have here?

Mr. HURWITZ. District Distributors.

Mr. RICE. What is your connection with Distributors?

Mr. HURWITZ. I am the president.

Mr. RICE. And that is a wholesaler's license?

Mr. HURWITZ. That is correct.

Mr. RICE. That is a corporation?

Mr. HURWITZ. That is right.

Mr. RICE. All right, sir. Now, do you know a man by the name of George Goldberg?

Mr. HURWITZ. Yes; I do.

Mr. RICE. Who is he?

Mr. HURWITZ. Georgie Goldberg is now a partner of mine in the Century Finance Co. and the Century Credit Co. at 1311 North Charles Street.

Mr. RICE. How long have you known Goldberg?

Mr. HURWITZ. I would say since 1928 or 1929, roughly.

Mr. RICE. You were in business with him at that time back in the late twenties?

Mr. HURWITZ. Not until 1929.

Mr. RICE. When did you first become associated with him?

Mr. HURWITZ. In 19—I think it was, as close as I can remember, the latter part of 1929, and when I say the latter part, it was close to 1930.

Mr. RICE. What business was he in then?

Mr. HURWITZ. I don't know what business he was in.

Mr. RICE. How did you come to meet him?

Mr. HURWITZ. At that time I was in the sporting world, too, and when we went to fights and ball games, the race tracks, or wherever it is, you would meet those people, and naturally you would talk to them or be introduced to them.

Mr. RICE. You say he was in the sporting world?

Mr. HURWITZ. I was.

Mr. RICE. Was he in the sporting world?

Mr. HURWITZ. From what I gather he was.

Mr. RICE. There came a time when you got into business with him; is that right?

Mr. HURWITZ. That is correct.

Mr. RICE. When was that?

Mr. HURWITZ. That was the latter part of 1929, that would be closer to 1930. I would say in December of 1929.

Mr. RICE. In what business was that?

Mr. HURWITZ. That was in the numbers business.

Mr. RICE. What was the arrangement there that brought that about? Tell us how you got into business with him, what the operation was.

Mr. HURWITZ. Nothing more than somebody said that there was a lot of money to be made in the numbers, and I approached him, and I asked him whether he would be interested, and he said he would.

Mr. RICE. How did you come to pick him out?

Mr. HURWITZ. Well, he had a nice reputation around town among the sporting world. It is very important that the man you are associating with is going to see that he meets his obligations, sometimes more so than in business. I have found that out since I have been in the business world, it was more important there than in the business world.

Mr. RICE. Well, yes; but you picked him out. Now, why did you need him? Were you going to back him, or what was the idea?

Mr. HURWITZ. No; there wasn't going to be any backing. It was going to be an equal partnership.

Mr. RICE. Why did you feel that you wanted a partner?

Mr. HURWITZ. Because I was a lazy man and I didn't want to work. I didn't know nothing about the business. It was my intention to not even come into the foreground. I wouldn't go by myself at all.

Mr. RICE. Would it be fair to say that it came to your attention that the numbers business, which was a sort of a new thing at that time and just building up, looked like it was going to be a money maker, and you wanted to get into it and you didn't want to be too active and you were looking for someone to front for you or run the operation?

Mr. HURWITZ. He was not the front for me. I had a front. He was not the front, he was a partner.

Mr. RICE. What was to be his function?

Mr. HURWITZ. The same as mine. Business comes to you, you go out and get the business, you know.

Mr. RICE. Who was your front?

Mr. HURWITZ. A fellow by the name of Joe Greasy—his name was really Joe Taylor; he was a colored fellow.

Mr. RICE. You sort of backed him?

Mr. HURWITZ. Yes.

Mr. RICE. Did Goldberg have a front, too?

Mr. HURWITZ. I would not know, sir.

Mr. RICE. This man you had, you say his name was Greaser?

Mr. HURWITZ. They used to call him Joe Greasy. His name was Joseph Taylor.

Mr. RICE. Joe Taylor?

Mr. HURWITZ. Yes.

Mr. RICE. He did not front for Goldberg, too, though?

Mr. HURWITZ. I don't think so.

Mr. RICE. How is the thing to run? Tell us a little bit about how it was to run, what was the general theory.

Mr. HURWITZ. You know, there is no contract in these things, it is just a matter of getting the business, and then at the end of the month, or whatever it is, if there are any profits you just take your profits.

Mr. RICE. At the outset, in the numbers business, you have to have a bank roll; don't you?

Mr. HURWITZ. That is correct.

Mr. RICE. Were you going to put up the bank roll?

Mr. HURWITZ. No; it was to be equal.

Mr. RICE. It was to be equal?

Mr. HURWITZ. That is right.

Mr. RICE. You and Goldberg would put it up?

Mr. HURWITZ. That is right.

Mr. RICE. Do you remember what bank roll you started with?

Mr. HURWITZ. It wasn't very much at that time, if I can remember my end of it, I don't know whether he had more money or not, but it was very little, no more than a couple of thousand dollars.

Mr. RICE. And you got together and put up a couple of thousand dollars?

Mr. HURWITZ. We don't even trust anybody in that business. It was a question of putting it up.

Mr. RICE. Because you had not had any "hits" yet?

Mr. HURWITZ. No. That is not the reason. Of course, I would like to bring this in and perhaps it will help. That was about 20 years ago.

Mr. RICE. Yes.

Mr. HURWITZ. And in those 20 years I have divorced myself from gambling of any kind. I don't even go to the fights. I mean, this is all under oath, I know that I am speaking under oath, so therefore I will tell you that I don't go to fights where I used to go. The last time I attended a fight was Joey Archibald and Harry Jeffra, that was the Archibald-Jeffra fight which was about 6 or 7 years ago, in view of the fact that Goldberg was supposed to have been the president of the Century Sporting Club.

I don't go to baseball games. I don't go to race tracks any more. Of course, the joke is always, "What the hell are you living for?" The truth of the matter is that I have got now a different class of business. I don't see those people, and if I were to say to you that I have not seen Goldberg, in the 20 years I was in business with him, that I had not seen him but 10 times, it would sound a little strange to you but that is so under oath, I have not seen him over 10 or 15 times, in view of the fact I am still in business with him.

I don't fraternize with any of these fellows, even though I do know them. I don't socialize with them. I know some of them. That might help, when you say about the business that way.

MR. RICE. Well, going back to the time when you were in it, I am trying to establish how this thing worked out, how you set it up.

MR. HURWITZ. Well, how it works—

MR. RICE. You had to have this fellow Taylor. What did he do?

MR. HURWITZ. He went out and got the business, and he protected my interests.

MR. RICE. He would get himself some runners, was that the idea?

MR. HURWITZ. I don't know how he got the business. He got his end of the business and protected my end, for which I gave him an interest in my profits that I would make.

MR. RICE. How about Goldberg?

MR. HURWITZ. I don't know what he did with his.

MR. RICE. I don't understand that. You were in a partnership?

MR. HURWITZ. That is right.

MR. RICE. And you have a man who is protecting your front?

MR. HURWITZ. That is right.

MR. RICE. How did he arrange for his share of the profits?

MR. HURWITZ. I cannot speak for him. I don't know what he did. He may have had three people protecting his interests, which I don't know.

MR. RICE. Didn't the same business that cleared through you—didn't he have an interest in that?

MR. HURWITZ. Oh, yes; the business we were getting, I don't know whether there was any other business there, but the business that was brought in by my man or my men was protected by this fellow Joe Taylor, a colored man.

MR. RICE. Goldberg had an interest in that, didn't he?

MR. HURWITZ. Oh, yes.

MR. RICE. How did you figure out your shares?

MR. HURWITZ. It was simple. At the end of the week, or whatever time it was, the end of the day, how many hits there would be there, this man would present it to me and I would know how much there was, and they would pay off.

MR. RICE. And part of it would go then to Goldberg?

MR. HURWITZ. At the end of the day, if there were any profits, they would be banked.

MR. RICE. In a bank?

MR. HURWITZ. Yes.

MR. RICE. In a bank account?

MR. HURWITZ. Yes; in a bank account.

MR. RICE. And he would get his share?

MR. HURWITZ. At the end of the week or a month, or whatever time it was, we trusted each other to that point.

Mr. RICE. I am trying to establish, Mr. Siegel, to see if it was a 50-50 deal.

Mr. SIEGEL. It was 50-50. They were equal partners; is that right?

Mr. HURWITZ. Yes.

Mr. SIEGEL. And when Taylor got this business he got the business for the partnership, for you and George Goldberg?

Mr. HURWITZ. That is right.

Mr. SIEGEL. And you were equal partners?

Mr. HURWITZ. That is right.

Mr. SIEGEL. And whatever profits remained would be equally divided between you and Goldberg?

Mr. HURWITZ. That is right.

Mr. RICE. When the money went into the bank, who would draw the checks to distribute it?

Mr. HURWITZ. I would, to my sorrow.

Mr. RICE. You would?

Mr. HURWITZ. Yes.

Mr. RICE. Why do you say to your sorrow?

Mr. HURWITZ. Because at that time the income tax was not as strict as it is today and when my accountant went up there to pay my income tax they wanted to charge me for every check drawn out of the bank. They didn't want to know about profits or losses. These were all profits, they claimed, and I was the one there to bear that myself.

Mr. RICE. What would you do, draw it to cash?

Mr. HURWITZ. Cash; and I would cash a check.

Mr. RICE. And you would give part of it to Goldberg?

Mr. HURWITZ. No.

Mr. RICE. How would he get his?

Mr. HURWITZ. You are talking about the profits, are you?

Mr. RICE. Yes.

Mr. HURWITZ. Oh, the profits, at the end of the month.

Mr. RICE. How would he get it? Who would pay him?

Mr. HURWITZ. I would.

Mr. RICE. You would pay him in cash?

Mr. HURWITZ. No, there were checks involved, too. Again I say, at that time it was not the right thing, but there were checks involved.

Mr. RICE. I don't see how that would get you into any trouble with the tax people.

Mr. HURWITZ. That is one of the reasons I am here after 20 years and trying to prove that I have done absolutely nothing, and I am in trouble again, trouble to the point of coming up here.

Mr. SIEGEL. Pardon me. I think we can clear that up. I want to try to be helpful.

The CHAIRMAN. Go ahead.

Mr. SIEGEL. Wasn't it shortly after you disassociated yourself with Goldberg in the numbers business that you and Goldberg had a check-up by the Internal Revenue Department?

Mr. HURWITZ. That is what I told him.

Mr. SIEGEL. And the Internal Revenue Department, of course, came across this money that had been banked by you for the partnership of Goldberg and yourself, and then you made a settlement with the Government and your firm of accountants represented you, and

you paid the Government a substantial sum of money to square your tax liability with them which was, of course, many years ago.

Mr. HURWITZ. That is right.

The CHAIRMAN. May I ask this? We are not inquisitive to go into anything not directly related to this matter. We do not want to pry into any private affairs, that is not it, but have you any objection to stating how much you paid the Government?

Mr. HURWITZ. Well, that is a record.

The CHAIRMAN. That is the matter I asked you.

Mr. HURWITZ. I don't know. I can get it for you.

Mr. SIEGEL. We can furnish that information for you.

The CHAIRMAN. If you could that might be helpful, because probably it might have some bearing on the matters we are talking about.

Mr. HURWITZ. It was not a whole lot.

Mr. SIEGEL. Do you have any idea what the amount is? Give it as close as you can.

Mr. HURWITZ. Well, if I would say \$2,500, I don't know whether it is \$2,500 or \$3,500.

Mr. SIEGEL. Well, what do you think the highest figure was, the very highest?

Mr. HURWITZ. Henry, I wouldn't say. I would say \$3,000. I don't know. It might have been more.

The CHAIRMAN. You may give it subject to verification.

Mr. HURWITZ. Oh, yes.

Mr. SIEGEL. We can furnish the committee with the information, because we can get that from the firm of Burke, Landsberg and Gerber. They have been doing his auditing work. I remember that he had a tax case that arose out of the numbers business.

Mr. RICE. Was it a joint settlement on the part of both?

Mr. SIEGEL. No, the money was banked in his name, and that is why the Government looked to him for payment, and he had to settle with the Government and that has been a matter of possibly 18 years ago.

Mr. RICE. In connection with that settlement did Mr. Goldberg pay a part of the loss, part of the payment to the Government?

Mr. HURWITZ. I think he had his own tax case. I paid my money and he later on had his tax case and he paid his.

Mr. SIEGEL. Mr. Rice wanted to know if he contributed anything to repay you for that.

Mr. RICE. That was an individual proposition?

Mr. HURWITZ. Yes.

Mr. SIEGEL. And he did not reimburse you?

Mr. HURWITZ. No.

Mr. SIEGEL. As a matter of fact, you felt that he should have reimbursed you?

Mr. HURWITZ. That is correct.

Mr. RICE. It would seem so if it was a 50-50 partnership.

Mr. SIEGEL. That is right. You felt that he had not been fair to you because you felt that he should have reimbursed you for one-half of what you had to pay the Government, isn't that correct?

Mr. HURWITZ. That is right.

Mr. RICE. How long were you in that business with him, Mr. Hurwitz?

Mr. HURWITZ. One year or so, maybe 14 months, I can't remember.



It has been 20 years ago, and it was 1 year or maybe 14 months at the highest, and I then left him and I went and took a trip, a cruise, so I wouldn't have let my money in there if I had been with him; I wouldn't leave all the money there. There was a lot of money involved, you know.

Mr. RICE. About how much did you make during that time?

Mr. HURWITZ. I estimate maybe \$10,000, \$12,000, \$15,000, or maybe \$20,000.

Mr. RICE. That was your share?

Mr. HURWITZ. Yes. That was in a year's time.

Mr. RICE. How much did Taylor make, approximately?

Mr. HURWITZ. Taylor never had anything, he would bet on some other things, to try to win his money back again.

Mr. RICE. Was he paid a salary?

Mr. HURWITZ. He had a salary and commission. He had to have enough to live on, and he had a stake in the profits.

Mr. RICE. How much would he have taken down, irrespective of what he lost?

Mr. HURWITZ. He had about 20 or 25 percent of the profits.

Mr. RICE. And yours was 50 percent?

Mr. HURWITZ. Yes.

Mr. RICE. So he would have had around \$5,000?

Mr. HURWITZ. I wouldn't know. The figures are there. If it was \$20,000, he would get maybe \$5,000, yes.

Mr. RICE. And he was on a salary, too?

Mr. HURWITZ. He was on a salary. He had to have money to live on.

Mr. RICE. How many other employees were there?

Mr. HURWITZ. I don't know. Very seldom was I there. I would say it would not be over about seven.

Mr. RICE. Where did they have their headquarters?

Mr. HURWITZ. There was an alley, I don't know the name of the alley, it is on Caroline Street, between Fairmont Avenue and Baltimore Street.

Mr. RICE. Was this operation all colored, were all the writers and runners colored?

Mr. HURWITZ. Most of them, yes. I will say 90 percent of them were.

Mr. RICE. What became of the business when you got out?

Mr. HURWITZ. I couldn't tell you, sir.

Mr. RICE. Why did you get out of it?

Mr. HURWITZ. I didn't like it. I have been in a lot of businesses and, as I say, I wanted to get into something where I would be of some value in the community, which I have proved myself for 20 years. I was in the carnival business and I didn't like that.

Mr. RICE. Did Goldberg get out of it at the same time?

Mr. HURWITZ. I couldn't tell you, sir.

Mr. RICE. What did you do with your share?

Mr. HURWITZ. I just threw it up. I didn't want it any more.

Mr. RICE. You didn't try to sell it to him?

Mr. HURWITZ. I gave it to Greasy. I told him, "You do what you want with it."

Mr. RICE. You gave it to Greasy?

Mr. HURWITZ. Yes. I don't know whether he turned it over to someone else or went in business for himself.

Mr. RICE. What understanding did you have with Goldberg about it?

Mr. HURWITZ. None whatsoever. I just quit.

Mr. RICE. Well, you just can't walk out on a partner, can you?

Mr. HURWITZ. In that business you can.

Mr. RICE. What did he say?

Mr. HURWITZ. What could he say? He probably would be happy.

Mr. RICE. What did he say?

Mr. HURWITZ. He said, "If that is your decision, all well and good."

Mr. RICE. Then he may have continued in it, so far as you know?

Mr. HURWITZ. So far as I know, and I didn't care. I was only interested in myself.

Mr. RICE. During that year that it was running, were you ever arrested?

Mr. HURWITZ. There was a raid there, there was a raid. Now, I don't remember whether I went down there or not. It didn't amount to anything, I will put it that way.

Mr. RICE. Who got arrested in the raid?

Mr. HURWITZ. The workers there.

Mr. RICE. Did Taylor get arrested?

Mr. HURWITZ. I think Taylor was arrested.

Mr. RICE. Did he pay a fine?

Mr. HURWITZ. Offhand I can't remember, sir.

Mr. RICE. What were your arrangements about police activities there, if they were arrested, who was to pay the fine?

Mr. HURWITZ. I was in the background at that point and I didn't know, I didn't know anything about it.

Mr. RICE. Now, wait a minute. You were a 50-percent partner and you must have known something about it.

Mr. HURWITZ. That is correct, that is right.

Mr. RICE. Were you charging off the fines as a business expense?

Mr. HURWITZ. Oh, yes, if there was any expenses that would come off.

Mr. RICE. If Taylor or somebody else were arrested and had to pay a fine of \$100, that would come out of the business?

Mr. HURWITZ. Oh, yes.

Mr. RICE. Did that ever happen?

Mr. HURWITZ. Quite a few times.

Mr. RICE. Some of your runners would be arrested?

Mr. HURWITZ. That is right.

Mr. RICE. Did you have any arrangements with the bondsmen?

Mr. HURWITZ. I did not.

Mr. RICE. Did someone have an arrangement with the bondsmen?

Mr. HURWITZ. There must have been some arrangements made. As I say, I was in the background, and I wouldn't know what they were.

Mr. RICE. Who made those arrangements?

Mr. HURWITZ. I wouldn't know. It might have been Greasy and it might have been somebody on Goldberg's side.

Mr. RICE. But in any event you were not arrested during that time?

Mr. HURWITZ. I can't—I don't think so—there is times when I did go in there. I think I was on the outside when the raid took place.

Mr. RICE. Well, how do you account for not being arrested when you were part of an illegal enterprise? How did you arrange for that?

Mr. HURWITZ. How did I arrange for that?

Mr. RICE. Yes.

Mr. HURWITZ. I think you ought to know the answer yourself. I am not trying to be flip, I am trying to be fair about it, and I don't like to make statements here being, as I say, if I was in the business perhaps I would make statements differently than now. You say how do you make arrangements for these things?

Mr. RICE. Yes. It is a little difficult to understand how you can operate.

Mr. HURWITZ. Well, it is very simple to understand. You make arrangements with people, whether it is the police or whoever it may be, that are willing to take some of your money in order to give you that bit of protection.

Mr. RICE. Yes. Would you charge that off to expenses, too?

Mr. HURWITZ. Everything went off for expenses.

Mr. RICE. I beg your pardon?

Mr. HURWITZ. Everything went off for expenses.

Mr. RICE. Yes.

Mr. HURWITZ. Whatever there is that went to business, or went out for business, that is expenses.

Mr. RICE. So that if someone had to be taken care of, if there had to be some protection money paid, that would be an expense item, too, wouldn't it?

Mr. HURWITZ. That is right.

Mr. RICE. How much would that run?

Mr. HURWITZ. I wouldn't know.

Mr. RICE. What percentage?

Mr. HURWITZ. At that time it was very minor.

Mr. RICE. How much would you say, about, a week?

Mr. HURWITZ. I wouldn't know. The fines in those cases—in those days the fines were only \$25 and costs. There wasn't no jail sentences. That is the year that I was in it.

Mr. RICE. How about the protection, the money that had to go to the law-enforcement people in order to keep them from arresting you?

Mr. HURWITZ. It went—I didn't have anything to do with it.

Mr. RICE. How much did that run to?

Mr. HURWITZ. I think it was very minor, from what I understand.

Mr. RICE. Would it run \$100 a week?

Mr. HURWITZ. Yes, it would be more than that, throughout the city.

Mr. RICE. For the whole operation, how much would it be a week?

Mr. HURWITZ. A week?

Mr. RICE. Yes.

Mr. HURWITZ. Truthfully I could not tell you. I don't know.

Mr. RICE. It was part of your share that was going out for that, and if they had not paid it out to the police, there would have been that much more profit for you, wouldn't there?

Mr. HURWITZ. As I tried to point out, that has been 20 years ago, during which time I have tried my darnedest to forget the whole thing. It is hard to say whether it was \$100 or \$300. It might be in that neighborhood, but there is quite a variance there, I understand.

Mr. RICE. Who took care of that phase of the business?

Mr. HURWITZ. I don't remember.

Mr. RICE. Who made the arrangements: Greasy?

Mr. HURWITZ. Greasy might have taken care of his section. You see, it doesn't always come from the head of the city, sometimes one of the boys themselves is a pickup man or so, and he will make the arrangements for that section himself.

Mr. RICE. How high on the police level did the protection go?

Mr. HURWITZ. I would not know, sir.

Mr. RICE. Did you take care of anybody yourself?

Mr. HURWITZ. Never.

Mr. RICE. Did you ever have any discussion about that with police officials?

Mr. HURWITZ. Well, there is a lot of talk about police protection. There was always, from what I read, and what little I knew when I was in it, there was always a lot of talk about that.

Mr. RICE. At the beginning of this thing, when you were conceiving the notion of getting into the business with Goldberg, you had a plan to get into a business that was illegal.

Mr. HURWITZ. Yes.

Mr. RICE. So you must have had some idea about what arrangements you could make to run this business.

Mr. HURWITZ. In the start, you could hide in any corner with a little amount of business.

Mr. RICE. But pretty soon you were going to be hit?

Mr. HURWITZ. You are going to be what?

Mr. RICE. You are going to be hit by the police.

Mr. HURWITZ. Naturally, if you don't—

Mr. RICE. If you don't make the arrangements.

Mr. HURWITZ. That is right.

Mr. RICE. Did you wait until you had some police activity before you made arrangements?

Mr. HURWITZ. I didn't do any of that at all. It was understood that it was going to be taken care of. By whom, I don't know.

Mr. RICE. At the very outset, that was part of the theory of the operation—to get into business you would have to give some thought to that. Was Goldberg going to take care of that?

Mr. HURWITZ. I don't know whether he was or not.

Mr. RICE. Who was?

Mr. HURWITZ. I am trying to tell you that the boys in the neighborhood that have their routes, they themselves would take care of a lot of it.

Mr. RICE. Before the boys in the neighborhood got into it, when you and Goldberg sat down and said, "We will put up a couple of thousand, we will get in the business and make money," one of you must have said, "Well, now, what about the police? What are we going to do about that?"

Mr. HURWITZ. Well, today, as I say, today I am in business, and I am doing business right here in the State alone, in the District of Columbia, of \$10,000,000, and we make preparations. We do all of that through insurance, and all that. I will put it this way: That I didn't do it in the year I was in that business; I didn't do it because it wasn't necessary.

It is the same right now if you are going out to a ball game, and you are wagering, as I say, two boys are wagering, and one has too big a business, he turns it over to the other one; they don't have to fear the police there.

I have no right to speak as an authority. I was only in it, as I say, 20 years ago for about a year, but from what I can see, if you want to start in business in a small way, bookmaking or numbers, it will be quite a while before they catch you.

Mr. RICE. But they most assuredly are going to catch you before long, and then you will have to face it.

Mr. HURWITZ. That is right. I did not handle it as you would a business.

Mr. RICE. You did not anticipate it?

Mr. HURWITZ. No; you don't handle that as a business.

Mr. RICE. I am afraid I cannot go along with you on that.

Mr. HURWITZ. That has been my experience, when I first started.

Mr. RICE. Well, do you want to say, then, that whatever protection there was, was taken care of by the individuals who were involved, and not by yourself?

Mr. HURWITZ. I would say, from the start, yes.

Mr. RICE. And you did not discuss it with Goldberg?

Mr. HURWITZ. I might have discussed it with Goldberg, as to what the expenses were, maybe the expenses being too high or too low.

Mr. RICE. Was he the man that took care of that, then?

Mr. HURWITZ. No; from what I understand, there was somebody like Joe Greasy in there that took care of it. We might say he was a half-baked politician of some kind.

Mr. RICE. In the operation itself?

Mr. HURWITZ. No, he was on the outside. He was not in operation, but he was taken care of for taking care of the operation.

Mr. RICE. He was the "fix" man?

Mr. HURWITZ. Well, you can call it fixes, if you like.

Mr. RICE. So that everything that was put out to take care of police protection channeled through him?

Mr. HURWITZ. I would think so. As I say, I don't know all about this thing. As I said, I wasn't around it too much. I have got to the point there, the point to protect my interest, and when Taylor brought in these things, if I didn't like it, I would send it back with him. I didn't know too much about the business.

Mr. RICE. Was it your understanding that the "fix" man could deliver the protection, you would take care of him, and he would more or less guarantee that everything was running well?

Mr. HURWITZ. Yes.

Mr. RICE. All you had to do was to straighten him out?

Mr. HURWITZ. Yes.

Mr. RICE. In connection with that, was there an arrangement for people to get arrested every once in a while in order to make it look right? The police might say, "Everybody knows you are running, and we have to make an arrest every once in a while"?

Mr. HURWITZ. I wouldn't know anything about that.

Mr. RICE. You did not hear that?

Mr. HURWITZ. No.

Mr. RICE. Did it happen?

Mr. HURWITZ. Not that I know of. You say they faked an arrest?

Mr. RICE. Well, you said some of your men were arrested once in a while.

Mr. HURWITZ. Yes.

Mr. RICE. Well, you have an inconsistency there. You have a "fix" man who takes care of the operation in order to prevent men from being arrested, and then you have people being arrested.

Mr. HURWITZ. Well, I don't want you to get the impression that all policemen are crooked. I would say that 75 percent of them are—I should not be making these statements because, again, I am no authority—but I would say that 75 percent of them are honest.

Mr. RICE. I hope there are more than that. So that every once in a while an honest policeman would come along and grab a fellow?

Mr. HURWITZ. Not every once in a while; quite often.

Mr. RICE. All right. Did there come a time when somebody grabbed Goldberg? When somebody kidnaped him?

Mr. HURWITZ. There was some talk about that and some rumors.

Mr. RICE. Yes.

(There was a brief interruption.)

Mr. RICE. Now, we were talking about the time when Goldberg was kidnaped or snatched or grabbed. What was the story on that?

Mr. HURWITZ. Well, as I say, it is a story, that is all it is, from what I know. It has been told that he was snatched, and the following day after all the commotion and all, I saw him and I said, "What is going on?" He says, "Nothing." He says, "I went down fishing," and he says, "I came back," and he says, "I hear all this talk around."

Mr. RICE. Oh, I see. He took the position that he was not snatched.

Mr. HURWITZ. That is right.

Mr. RICE. About when was that, Mr. Hurwitz?

Mr. HURWITZ. Well, roughly guessing, I would say 1932, or 1931, or 1932, or 1933.

Mr. RICE. Was it while he was still in the numbers business?

Mr. HURWITZ. I don't know. I don't think I was with him—I may have been—as I say, I don't know when that was.

Mr. RICE. But it was possible that it was while he was your partner?

Mr. HURWITZ. It is possible; yes.

Mr. RICE. That would have been a right serious thing if it was your partner who was taken, would it not?

Mr. HURWITZ. It would be serious for anybody to be taken.

Mr. RICE. What was the story that went around?

Mr. HURWITZ. The story was that we was, as you say, snatched.

Mr. RICE. Yes.

Mr. HURWITZ. And that a ransom was paid.

Mr. RICE. Yes. Did anyone come to you and say, "We have got Goldberg, and it is going to cost you so much to get him out?"

Mr. HURWITZ. No, sir.

Mr. RICE. Are you sure about that?

Mr. HURWITZ. Yes, sir.

Mr. RICE. Did you receive any contacts the day that he was taken?

Mr. HURWITZ. There was a lot of talk by different people saying that he was snatched.

Mr. SIEGEL. I don't think you understood Mr. Rice's question. Did you receive any contacts the day he was snatched? Do you understand the question?

Mr. HURWITZ. Contacts?

Mr. SIEGEL. Yes; did anybody contact you?

Mr. HURWITZ. Yes; there was a few of them came over and spoke to me about it.

Mr. RICE. Did they suggest that you do something about it?

Mr. HURWITZ. They said, "Did you hear what happened to Georgie?" And I said, "No, what?" They said, "He was snatched."

Mr. RICE. Did they tell you how it happened?

Mr. HURWITZ. No.

Mr. RICE. Was there any police activity?

Mr. HURWITZ. The only activity, I think it was then a Captain Burns had called for me to come up there, knowing that I was in partners with him then, or was in partners before, and the only information I could give him was the same, and I think it was the following day that Goldberg was back.

Mr. RICE. And you talked to him?

Mr. HURWITZ. Yes.

Mr. RICE. And you said there is nothing to it? Or he said there was nothing to it?

Mr. HURWITZ. That is right.

Mr. RICE. Are you convinced that there was nothing to it?

Mr. HURWITZ. I think so, if he said there was nothing to it.

Mr. RICE. It is possible, just for the purposes of speculation, that he was snatched and did pay a ransom, and then they told him, "Look, you keep your mouth shut about this or we will do it to you again," and he lulled you to sleep with that explanation?

Mr. HURWITZ. Well, if he did, he was only accomplishing what he was after, he may have gained his point.

Mr. RICE. So far as you know it did not happen?

Mr. HURWITZ. That is right.

Mr. RICE. You did not get any direct information about it?

Mr. HURWITZ. No.

Mr. RICE. Except that this police captain called you down and talked to you about it?

Mr. HURWITZ. That is right.

Mr. RICE. He was serious about it?

Mr. HURWITZ. Oh yes; I think it was in the papers, too.

Mr. RICE. There was no money charged off on your books or the partnership books to take care of expenses in that way?

Mr. HURWITZ. Definitely not.

Mr. RICE. Did you have any muscling in from other operators or other gangs, out-of-town people?

Mr. HURWITZ. Yes. Not muscling in, there was someone that—I can't recall who it was, they were supposed to be—and I told them that so far as I was concerned, that I couldn't save any money out of the business. I told them, "I have made some. You can have the whole business." And it just dried up after that, not because of what I said.

Mr. RICE. Was that a fellow by the name of Arthur?

Mr. HURWITZ. I don't know any Arthur.

Mr. RICE. You never heard of the name Arthur?

Mr. HURWITZ. No.

Mr. RICE. Joe Arthur?

Mr. HURWITZ. No.

Mr. RICE. It doesn't mean anything to you?

Mr. HURWITZ. No, sir.

Mr. RICE. Well, now, tell us again about these fellows who wanted to declare themselves in? How did they work that?

Mr. HURWITZ. Well, the same as I suppose they do today or any other time, they come over as bad boys, and they say, "Look, I am taking an interest in your business."

Mr. RICE. Were these white fellows?

Mr. HURWITZ. They were white fellows.

Mr. RICE. From out of town?

Mr. HURWITZ. I don't know where they were from.

Mr. RICE. You didn't know them?

Mr. HURWITZ. No; I didn't know them. I am trying to make an impression on you that I didn't know many people in those days in that business. I was away most of the time, and when I did come in 6 months of the year, the only ones, as I say, that I would meet some of that caliber person would be if I went to a race track and was introduced to them.

Mr. RICE. How many times did fellows come to you like that; do you remember?

Mr. HURWITZ. Only one time.

Mr. RICE. How many men came?

Mr. HURWITZ. Only one that I spoke with.

Mr. RICE. And he looked for you and located you?

Mr. HURWITZ. That is right.

Mr. RICE. And he got you in your office somewhere?

Mr. HURWITZ. No; I didn't have an office.

Mr. RICE. Where did he get you?

Mr. HURWITZ. On Baltimore Street.

Mr. RICE. Did he stop you on the street?

Mr. HURWITZ. Somebody pointed him out to me and said that he wanted to talk to me.

Mr. RICE. He wanted to talk to you?

Mr. HURWITZ. That is right.

Mr. RICE. And you talked to him?

Mr. HURWITZ. That is right.

Mr. RICE. What did he tell you?

Mr. HURWITZ. Nothing more than they were coming in; they wanted part of our business.

Mr. RICE. What did he say, "We are moving in"?

Mr. HURWITZ. That is right.

Mr. RICE. And, "We want part of your business"?

Mr. HURWITZ. Yes.

Mr. RICE. Did he say how much he wanted?

Mr. HURWITZ. I think they wanted 50 or 75 percent.

Mr. RICE. They wanted half of it at least?

Mr. HURWITZ. More than half.

Mr. RICE. What were they going to put up in order to get it?

Mr. HURWITZ. Well, they promised that we would get more business; that they wanted to take it away from some of the little ones.

Mr. RICE. They were going to consolidate?

Mr. HURWITZ. That is right. I told them that I was not interested. I told them that I could not save any money out of that. I was losing everything I could get gambling back on horses or any other game, and I told them they could have the whole thing. As I say,



I don't think it was that that stopped them, but the whole thing was over with.

Mr. RICE. Was that what helped influence you to get out of the business?

Mr. HURWITZ. Yes; that was one of the things. As I pointed out, I was in the carnival business, and I didn't like that, either.

Mr. RICE. Did these fellows get tough about it? Did they say, "If you don't take the proposition, it is liable to go hard for you"?

Mr. HURWITZ. They didn't say that, but I myself could figure out that. I didn't want any part of anything like that.

Mr. RICE. How did you figure out that they were tough, just meeting a man on the street?

Mr. HURWITZ. Well, if I came to you and I said, "Give me half the money you have in your pocket," you would feel that I was either tough or crazy.

Mr. RICE. Yes.

Mr. HURWITZ. And I don't like to fool with either one of them.

Mr. RICE. You just wouldn't walk away and not do anything about it.

Mr. HURWITZ. I didn't walk away. I talked to him. I told him that I wasn't interested in it, and they could have the whole business; that I wouldn't go into anything like that.

Mr. RICE. Would it be a fair statement to say that that was the most influencing factor of all to help you get out of the business?

Mr. HURWITZ. No; that was not the most influencing factor.

Mr. RICE. You wouldn't say that you were muscled out?

Mr. HURWITZ. No.

Mr. RICE. But it was a combination of things?

Mr. HURWITZ. The thing of it was that all my life I had looked forward to one thing. I was not what you would call a good boy, going around the country when nothing but a little boy, and I just strove for one thing, and that was to get on a pedestal with the rest of the business people. I didn't do anything during those years that was out of the way; nothing.

As I say, if I could only prove to you what I am saying is so. For example, if I may digress just for a minute, I have a business over here, and we are building, and it is going to cost a quarter of a million dollars for this building we are putting up now. I have men over here, and we have been in business 3 years, the same way as we operate the finance company, for 3 years, and I have not been here but four or five times. I deputize people I know who are honest, young men, and I give them an opportunity where they can get ahead, and that is my operation.

And when I tell you about the Goldberg matter, I cannot add anything to it. I was only with him for 1 year, and I had not seen him 10 or 15 times in 20 years, even though I am his partner at the finance company, and I know that is hard for you to believe, and I don't blame you. Maybe that is the reason you brought me over here. But I have facts to prove it is so.

Mr. RICE. All right. Now, when you started to get this feeling from meeting this fellow on the street, did you negotiate with him at all?

Mr. HURWITZ. No.

Mr. RICE. You did not? You just had one conversation with him?

Mr. HURWITZ. Yes; that was all.

Mr. RICE. And did he say, "I will get in touch with you later; I will give you time to think it over"?

Mr. HURWITZ. I told him there was no need for me to think it over; that he could have my end.

Mr. RICE. You quit right then and there?

Mr. HURWITZ. Yes; if he was going to take the 75 percent, that thing was dismissed, and nothing was heard about it any more.

Mr. RICE. I mean, that is the actual act that precipitated your getting out of the business?

Mr. HURWITZ. I said that may have been one of them; that is right.

Mr. RICE. Did you start right there at that moment and make preparations to get out?

Mr. HURWITZ. No, no; I continued on for, I would say, I don't remember, and I am just guessing now, but I would say that I continued on for about another 6 months.

Mr. RICE. Did you tell Goldberg that you had had a contact from a muscle man?

Mr. HURWITZ. Yes.

Mr. RICE. What did he say?

Mr. HURWITZ. What could he say?—the same as I said, "We are not going to go for it."

Mr. RICE. You were not going to go for it?

Mr. HURWITZ. We were not going to go for it; that is right. Then I said, "I am going to get out of it. You can do whatever you please. I am not going to get mixed up into these things. I know what they lead up to. We read in the papers and see."

Mr. RICE. Trouble?

Mr. HURWITZ. Not only trouble, but you get killed and everything else.

Mr. RICE. He was going to resist it; is that right?

Mr. HURWITZ. Who is "he"?

Mr. RICE. Goldberg.

Mr. HURWITZ. No; he didn't say that.

Mr. RICE. He said he was going to get out of it, too?

Mr. HURWITZ. He said he would rather get out of it, especially if they wanted 75 or 60 percent.

Mr. RICE. Well, if it had only been 10 percent, then next week they would want 80 percent.

Mr. HURWITZ. That would be so.

Mr. RICE. They could take that just the same.

Mr. HURWITZ. Maybe so.

Mr. RICE. What did you ever find out about who the fellow was? What city was he from?

Mr. HURWITZ. I wouldn't know.

Mr. RICE. Was he a Philadelphia man?

Mr. HURWITZ. I wouldn't know where he was from.

Mr. RICE. Did you ever find out who it was?

Mr. HURWITZ. No. There are so many things come about, when you are in that sort of business, in the way of rumors and different things, that you just forget about them. In fact, you try to forget about them. I didn't forget it. I had it in my mind, and I wanted

to get out of the business. That helped, as you say, but that was not 100 percent the reason.

Mr. RICE. Did you ever see the man again?

Mr. HURWITZ. No.

Mr. RICE. You have never seen him since?

Mr. HURWITZ. No.

Mr. RICE. And you have never found out who he was?

Mr. HURWITZ. No.

Mr. RICE. Did Goldberg know?

Mr. HURWITZ. At that time he did not know.

Mr. RICE. Did he ever get a contact?

Mr. HURWITZ. Not that I know of.

Mr. RICE. Why did he pick you out?

Mr. HURWITZ. Well, like everything else, when two people are in business, one is supposed to be a better talker than the other. For example, Goldberg and I were with these two finance companies, and if anything comes up that is not just right to the point of making a loan of a different kind, or something about the manager's work there, he says to me, "I will leave it up to you."

Mr. RICE. Goldberg says that?

Mr. HURWITZ. Oh, yes, in the finance company.

Mr. RICE. And you make the final decision?

Mr. HURWITZ. That is right. Of course, I keep him posted. That has not happened but twice. The manager I have now, he didn't want him for a manager. We had the first manager and we released him, and then we released a second one in just a short time, and George says, "I am finished." Then we got this third man, whom he did not like at that time, and I told him that I happened to know the man, and that the man was fitted for the business, and George says, "If you feel it is O. K., it is all right with me."

Mr. SIEGEL. Who is this man, this manager?

Mr. HURWITZ. Hochheimer.

Mr. SIEGEL. Si Hochheimer?

Mr. HURWITZ. Yes.

Mr. RICE. How long has he been running this business for you, approximately?

Mr. HURWITZ. Well, we started in 1931. I was with George then, and we bought the Westfall Co. Hochheimer has been with us now since 1934 or 1935.

Mr. RICE. That started right when you got out of the numbers business; you went into the finance business?

Mr. HURWITZ. I think we were together again; we were still together when we went into this business, but not for long, because, as I say, I took that trip, and we were not in business when I took the trip.

Mr. RICE. Did you take any of the money from the numbers enterprise to invest in the finance company?

Mr. HURWITZ. Oh, you mean the earnings from the numbers business?

Mr. RICE. Yes.

Mr. HURWITZ. Well, I don't know. I had some of my own. I may have taken it. We both put up equal amounts again.

Mr. RICE. And you continued in that business ever since?

Mr. HURWITZ. Yes.

Mr. RICE. Goldberg and you, and you only see him once in a while?

Mr. HURWITZ. Yes, that is right.

Mr. RICE. Now, what is the name of that company?

Mr. HURWITZ. The Century Credit and the Century Finance Co. There are two companies in the same office.

Mr. RICE. At 1331 North Charles?

Mr. HURWITZ. That is correct.

Mr. RICE. Are they corporations?

Mr. HURWITZ. Yes, sir.

Mr. RICE. And are they both the same, with the same officers?

Mr. HURWITZ. Yes, the same officers.

Mr. RICE. Who are the officers?

Mr. HURWITZ. I am the president, and Goldberg is the—I think—vice president—and Mr. Landsberg is an officer there.

Mr. RICE. How is the stock broken down?

Mr. HURWITZ. Just between Goldberg and myself.

Mr. RICE. Fifty-fifty?

Mr. HURWITZ. Yes.

Mr. RICE. In both of them?

Mr. HURWITZ. That is right.

Mr. RICE. Do you have any other enterprises with Goldberg?

Mr. HURWITZ. Nothing at all, sir. I never did any business with him since the time we went out of business there.

Mr. RICE. Who takes care of your personal books?

Mr. HURWITZ. Mr. Landsberg of Burke Landsberg & Gerber; they are accountants in the Munsey Building.

Mr. RICE. Does he take care of Goldberg's books, too?

Mr. HURWITZ. I think so. I am not certain.

Mr. RICE. What do you estimate your net worth to be, approximately?

Mr. HURWITZ. Well, I mean, do I have to answer that?

Mr. SIEGEL. We don't have any objection. We can answer that.

Mr. HURWITZ. Well, if I don't have to answer it, I would rather not.

Mr. SIEGEL. If it is not for publication, and I don't believe it is; is it?

Mr. HURWITZ. Well, if I have to, I will give you the whole figures.

Mr. SIEGEL. I would say to answer it, if it is not for publication.

Mr. RICE. Well, we will not press him, if he has any reluctance.

Mr. SIEGEL. As a matter of fact, I would prefer that he answer if it is not for publication.

Mr. RICE. Well, it would be a matter of record.

Mr. SIEGEL. I just want to show you that he made a tremendous success in the last 18 or 20 years, and he has a tremendously big income. He is very charitable. I have copies of his income-tax returns where we can show, for instance, in the year 1950 his charitable contributions were in excess of \$17,000. So, he must have a substantial income in order to do that.

Mr. RICE. Mr. Siegel, do you have copies of his returns with you?

Mr. SIEGEL. Yes; I have.

Mr. RICE. Well, suppose we look at those and then we might not need to go into that matter on the record.

Mr. SIEGEL. I will be glad to do that.

Mr. RICE. Do you have any interest in the Century Athletic Club, or have you had any interest in it?

Mr. HURWITZ. Not at all. I don't even know where it is, excepting that I read of it in the newspapers. I don't know who their officers are, and I have never gone into the place. I don't how to emphasize it, but I have no connections with it whatsoever.

Mr. RICE. Mr. Goldberg, you think, may have?

Mr. HURWITZ. It is common knowledge that he has, through the newspapers, that he was with the Century Sporting Club.

Mr. RICE. And you do have an interest in the Century Finance Co.?

Mr. HURWITZ. That is right.

Mr. RICE. So it would be a logical question as to whether you have any interest in the Century Sporting Club which Goldberg has, which has the same name.

Mr. HURWITZ. That is right, but I have none whatsoever, and I have never been there.

Mr. RICE. You don't know what business it is in, do you?

Mr. HURWITZ. Beg pardon?

Mr. RICE. You do not know what business the Century Athletic Club is in?

Mr. HURWITZ. Well, I would say it was in the promoting of fights.

Mr. RICE. Is that all?

Mr. HURWITZ. Yes; that is all I can say.

Mr. RICE. Do you know a fellow by the name of Barshak?

Mr. HURWITZ. Yes; I do.

Mr. RICE. What is his first name?

Mr. HURWITZ. Mike, if that is his name. They call him Mike.

Mr. RICE. Yes. What business is he in?

Mr. HURWITZ. Well, years ago he was in the sporting world, as I say, making bets on fights or whatever it may be. They were all doing it; I did it, too.

Mr. RICE. You took bets on fights?

Mr. HURWITZ. Not me. I didn't fool with fights. I took bets at the baseball games, back in 1930, and also on the horses. I will say that. I did. I gambled.

Mr. RICE. During that time that you were taking action on numbers, were you taking horse bets, too?

Mr. HURWITZ. No.

Mr. RICE. Well, was it after that that you took horse bets?

Mr. HURWITZ. No, no; I didn't take horse bets after I quit, after 1931 or 1932, I don't remember the exact year it was.

Mr. RICE. Would you say you have not taken any bets of any kind since 1934?

Mr. HURWITZ. No; I wouldn't say that. I have been on the elections, if you call it betting—

Mr. SIEGEL. Pardon me a moment.

Mr. RICE. I am talking about taking bets.

Mr. SIEGEL. He is talking about bets on horses.

Mr. HURWITZ. Never.

Mr. RICE. You have not taken any action of any kind?

Mr. HURWITZ. No, sir; of no kind.

Mr. RICE. During the time you were taking horse bets, did you lay any of them off?

Mr. HURWITZ. Yes.

Mr. RICE. Where did you lay it off?

Mr. HURWITZ. Just little fellows. I wasn't a big man in town. Just small fellows. Any one of a hundred would take it in those days just to get a little more action.

Mr. RICE. You would lay off to someone in town?

Mr. HURWITZ. Yes.

Mr. RICE. You didn't lay it off out of town?

Mr. HURWITZ. No; I didn't have that kind of business.

Mr. RICE. How about Barshak? You say that he was a sporting man. He would take a little action, too?

Mr. HURWITZ. In those day I understand he would.

Mr. RICE. Did you ever lay off bets with him?

Mr. HURWITZ. No; I never dealt with him.

Mr. RICE. When was the last time you have seen Barshak?

Mr. HURWITZ. Strange as it seems, I didn't see him for 10 years, excepting when I was in Hot Springs in February, he was there.

Mr. RICE. Which Hot Springs?

Mr. HURWITZ. Arkansas.

Mr. RICE. Near Little Rock?

Mr. HURWITZ. Twenty or thirty miles out of Little Rock.

Mr. RICE. At Jack Tarr's?

Mr. HURWITZ. I don't know him.

Mr. RICE. Where were you staying there?

Mr. HURWITZ. At the Arlington.

Mr. RICE. At the Arlington?

Mr. HURWITZ. Yes.

Mr. RICE. Did Barshak stay at the Arlington?

Mr. HURWITZ. Yes, he was at the Arlington.

Mr. RICE. How long were you down there?

Mr. HURWITZ. I was there from February, and I left there March 22, and I was there for four good weeks, a little over 4 weeks.

Mr. RICE. Who else was there with you?

Mr. HURWITZ. Mr. Sam Hamman, my pinochle partner, and the president of the Union Wallpaper Co., and the Atlantic Wallpaper Co., and a man who owns a lot of moving-picture shows, and Mr. Louis Rosen, or Sam Rosen, who is in the meat business here. They were all there, and they are the people I fraternized with.

Mr. RICE. Did you meet Arnie Samish here?

Mr. HURWITZ. I don't know him. I only hear about him because of the business we are in, but I never met him.

Mr. RICE. You have heard about him down there?

Mr. HURWITZ. I didn't hear about him there. We read about it in the papers, he is from California, and we were in the whisky business, and we heard that he was a lobbyist.

Mr. RICE. You handle Schenley's, don't you?

Mr. HURWITZ. That is correct.

Mr. RICE. And he represents Schenley?

Mr. HURWITZ. I did not know that. First of all, we have only been with Schenley for a little over a year.

Mr. RICE. He has represented Schenley for a number of years, hasn't he?

Mr. HURWITZ. I wouldn't know that, sir. I sure would tell you if I did.

Mr. SIEGEL. Prior to that you handled the Calvert line?

Mr. HURWITZ. For sixteen years prior to that.

Mr. RICE. How about Herman Stronberg, sometimes known as "Nig" Rosen?

Mr. HURWITZ. I don't know him. I never saw him.

Mr. RICE. Was Joe Adonis down there? Joe Doto?

Mr. HURWITZ. I wouldn't know. I wouldn't know him. I never heard of him, excepting that he is a big man in New York from the newspapers. I don't know who he is. I never saw him.

Mr. RICE. Well, he does go down there occasionally.

Mr. HURWITZ. Oh, and Lucky Luciano was there, when I was there 15 years ago or 12 years ago. I have been going there for 20 years.

Mr. RICE. When Dewey was looking for him?

Mr. HURWITZ. Oh, yes. They harbored a lot of criminals in those days down there.

Mr. RICE. What did Barshak say he was doing, when you met him down there?

Mr. HURWITZ. He said he was there for a rest, for a vacation, that he was in trouble, that they mistreated him, and something about \$65,000 in the box, that they caught at the Emerson Hotel, and he claimed it was a frame, and he wanted me to listen to the thing, and I did. What I could, I listened to him. We didn't fraternize or go out at no time, not that I was ashamed of going out with anyone, and previous to that I did not see Barshak for 10 years.

Mr. RICE. What did he say he was doing around Baltimore? Just that he was down in Hot Springs to take the baths?

Mr. HURWITZ. That is right.

Mr. RICE. What was his general business around Baltimore?

Mr. HURWITZ. He was thoroughly disgusted with the raid which took place at the Emerson Hotel. He claimed that he was framed, and he was down there vacationing, relaxing.

Mr. RICE. He admitted, then, that he was in the bookmaking business?

Mr. HURWITZ. No; he did not admit that to me.

Mr. RICE. But it was a bookmaking raid?

Mr. HURWITZ. That is right. He says he was framed.

Mr. RICE. What did he say he was doing? What did he claim to be doing?

Mr. HURWITZ. He was down there relaxing.

Mr. RICE. No; I mean when he was raided, what was his business?

Mr. HURWITZ. He didn't say. I didn't go into that with him.

Mr. RICE. It was just a "bum rap"?

Mr. HURWITZ. Yes. He was only telling me of his hard luck, and about his being framed in this thing, and something about \$65,000 was involved, and the police did certain things and broke into his room.

Mr. RICE. In any event—

Mr. HURWITZ. That is what he told me.

Mr. RICE. But in any event, you have not had any business transactions with Barshak for 20 years?

Mr. HURWITZ. Not even further back than even 20 years. I never had any business dealings with him.

Mr. RICE. How about "Blinky" Fink?

Mr. HURWITZ. I know him.

Mr. RICE. Did you have any business transactions with him?

Mr. HURWITZ. No.

Mr. RICE. What business is he in?

Mr. HURWITZ. I wouldn't know. He came into the place once or twice with a customer of ours, down at our place. That is all I have ever seen of him in years.

Mr. RICE. Did you produce some returns, Mr. Siegel?

Mr. SIEGEL. Yes; I have a number of returns here.

The CHAIRMAN. Off the record.

(Discussion off the record.)

The CHAIRMAN. Back on the record.

Mr. RICE. Now, you have had no transactions with Fink?

Mr. HURWITZ. No, sir.

Mr. RICE. Do you know Ike Saperstein?

Mr. HURWITZ. Yes; I do.

Mr. RICE. What business is he in?

Mr. HURWITZ. The last time I saw him was 5 years ago. He was interested, or I was told he was interested in—he greeted me at the door of the Club Charles.

Mr. RICE. Have you ever had any business transactions with Saperstein?

Mr. HURWITZ. None whatsoever.

Mr. RICE. How about Thomas Aversa?

Mr. HURWITZ. I have only known him for about 4 or 5 years, and that is because he was interested in the Chanticleer, the other night club on Charles Street, and I have seen him a few times when I go to the race track, but very, very seldom. I don't know Tom Aversa very well.

Mr. RICE. And you have had no transactions with him?

Mr. HURWITZ. No, sir, none at all.

Mr. RICE. Have you had any business transactions with any of the police department?

Mr. HURWITZ. No, sir.

Mr. RICE. Did you ever loan any of them any money?

Mr. HURWITZ. No, sir.

Mr. RICE. Have you made any gifts or gratuities to them?

Mr. HURWITZ. No, sir.

Mr. RICE. Are you sure about that?

Mr. HURWITZ. Definitely sure.

Mr. RICE. During the time you were operating?

Mr. HURWITZ. Even then, that is right.

Mr. RICE. Nor to any other law-enforcement officers?

Mr. HURWITZ. No, sir.

Mr. RICE. There is one thing I would say, generally speaking, from the record, we can probably agree that his main line of endeavor is wholesale liquor?

The CHAIRMAN. He admits that.

Mr. RICE. You have no retail outlets?

Mr. HURWITZ. That is right.

Mr. RICE. And you have the RWL wine and liquor?

Mr. HURWITZ. In Baltimore.

Mr. RICE. And the District Distributors in Washington?

Mr. HURWITZ. Yes.



Mr. RICE. And the King Wine and Liquor in Hagerstown, Md.?

Mr. HURWITZ. Yes.

Mr. RICE. That is a wholesale business?

Mr. HURWITZ. Those are all three wholesalers, it is a branch of the one in Baltimore. It is a separate license, and operates as a separate unit.

Mr. RICE. Are you an officer of all three corporations?

Mr. HURWITZ. Yes, sir. I am president of them.

Mr. RICE. And of the Century Credit and Century Finance?

Mr. HURWITZ. That is right.

Mr. RICE. You are an officer in those?

Mr. HURWITZ. That is right.

Mr. RICE. In connection with your application for an ABC license in the District of Columbia, in which you say you were fingerprinted—

Mr. HURWITZ. Yes.

Mr. RICE (continuing). There is a question there that asks, "Have you ever been arrested?" Do you know how you answered that?

Mr. HURWITZ. No. Off the record, I thought this was not an arrest. It may have been. Wait a minute. This was in 1936, and I bought Mr. O'Connor out here in Washington in 1947, but we have been in business here since 1934, and this thing didn't happen until 1936, so I had the license already then.

Mr. SIEGEL. Will you explain that to the committee?

The CHAIRMAN. I think that is very clear.

Mr. RICE. Well, just for the record, that was William O'Connor of Southern Distributors Co.?

Mr. SIEGEL. Yes. He was in business in Washington since 1934, though.

Mr. HURWITZ. We were in business previous to that.

Mr. RICE. The question was, whenever you filled in this application for a license, there is a question there which says, "Have you been arrested?"

Mr. HURWITZ. The answer was "No," because I was not—

Mr. SIEGEL. You see—

Mr. HURWITZ. That was 1936.

Mr. SIEGEL. The license was issued in 1934, and that was prior to the time that he was indicted.

Mr. HURWITZ. That is right.

Mr. SIEGEL. I might say in anticipation of the hearing that I went to the criminal court and I looked up the old case, because I remembered that at time there was a probe in the police department, and 29 officers were indicted at that time on a charge of bribery, and the State could not successfully prosecute those cases by reason of the fact that the law at that time was that anyone could claim immunity and refuse to testify on the ground of self-incrimination.

In 1937 the legislature changed that law and, of course, you were attorney general at the time, and you know more about that than I will ever know, and it was in connection with that probe that Mr. Hurwitz was indicted, and he was indicted on March 18, 1946, together with a number of others—

Mr. RICE. That was the second time?

Mr. SIEGEL. No, the first time. It is case No. 786, Docket 1936, on July 13, 1936, and the State issued a nolle prosequere as to each and all of the defendants.

I made a notation of this from the docket entries Friday, having in mind that we were coming over here today.

Mr. RICE. What was the nature of that charge?

Mr. SIEGEL. It was a conspiracy, to try to violate the lottery laws, and at that time 29 officers also were indicted, and there were a number of codefendants in that case.

Now, Mr. HURWITZ makes the point that he first got his liquor license in Washington, D. C., in 1934, and that was prior to the time that he was indicted.

Mr. HURWITZ. May I add this—

The CHAIRMAN. I think it is perfectly clear. There is no use going over and over the same ground.

Mr. HURWITZ. I just wanted to point out that I was in business, and the Government investigated me previous to this, I was in business 6 years before that, and selling wines for medicinal and religious purposes, and I had to get a permit.

The CHAIRMAN. Well, we are going very far afield, and I think we are just taking up a lot of time unnecessarily.

Mr. SIEGEL. All right. That is all right.

Mr. RICE. I do have another question. What is the Globe Co.?

Mr. HURWITZ. The Globe?

Mr. RICE. Yes. Were you ever connected with a Globe Co.?

Mr. HURWITZ. In the whisky business, there is a Globe in Washington in the whisky business. Oh, perhaps you have reference to the Globe Finance Co.

Mr. RICE. You have some interest marked down here as having been received from Globe.

Mr. HURWITZ. That is a finance company, the Globe Finance Co., and he asked me to invest a little money, and I invested \$2,000 with him.

Mr. RICE. Who is he?

Mr. HURWITZ. That is Mr. Glick, the attorney.

Mr. SIEGEL. Henry Glick, the attorney in Baltimore.

Mr. HURWITZ. I think it is called the Globe Finance Co.

Mr. RICE. Do you still have money invested there?

Mr. HURWITZ. No; no more.

Mr. RICE. Did that company ever get into trouble?

Mr. HURWITZ. I wouldn't know. I had no interest in it.

Mr. RICE. Well, you had an investment.

Mr. HURWITZ. As a friendly gesture, I put up \$2,000.

Mr. RICE. What became of that?

Mr. HURWITZ. I sold it out, he gave me my money back.

Mr. RICE. This was in 1934. When did you sell it?

Mr. HURWITZ. About 3 or 4 years ago, if that long, maybe 2½ years.

Mr. RICE. That was purely an investment, so far as you were concerned?

Mr. HURWITZ. Oh, yes. I had no interest at all in it.

The CHAIRMAN. All right: that is all.

Mr. RICE. Our next witness is going to be Mr. John Angersola.

The CHAIRMAN. Will you kindly raise your right hand, please, Mr. Angersola.

In the presence of the Almighty God do you swear that the testimony you shall give will be the truth, the whole truth, and nothing but the truth ?

Mr. ANGERSOLA. I do.

The CHAIRMAN. Now, your full name, please.

Mr. ANGERSOLA. I cannot hear you.

The CHAIRMAN. Your full name.

Mr. ANGERSOLA. John Angersola.

**TESTIMONY OF JOHN ANGERSOLA, MIAMI BEACH, FLA., ACCOMPANIED BY FRED D. KAPLAN, ATTORNEY, NEW YORK, N. Y.**

The CHAIRMAN. What is your address ?

Mr. ANGERSOLA. 5440 LaGorce Drive, Miami Beach, Fla.

The CHAIRMAN. All right, Mr. Rice.

Mr. KAPLAN. First of all, I would like to make a statement in behalf of Mr. Angersola.

I urge that this committee, as it now sits, is not lawfully constituted, that there is not a quorum of this committee in attendance, and that only the executive chairman of the committee, Senator O'Connor, is here, and we request that a quorum of the committee sit while this witness is giving his testimony, and we urge that in the absence of such a quorum, which we deem to be at least three members of the committee or more, that any proceedings had before this committee are a nullity.

The CHAIRMAN. Very good, counsel. Your point is noted.

I might say that prior to your coming in, it was announced that this is a subcommittee meeting, and that the resolution of the committee was referred to authorizing the Senator from Maryland as chairman of the committee to designate a subcommittee, which designation has been made. But your point is noted and, of course, will be duly incorporated in the record.

Now, will you give us your name for the record, please.

Mr. KAPLAN. My name is Fred D. Kaplan, 170 Broadway, New York City.

I would also like to note that the witness' appearance here is pursuant to a subpoena served, the return date of which was extended from time to time by agreement between counsel for the witness and counsel for the committee, and that the appearance in no sense, other than the fact that the witness has so far paid his expenses for two trips to Washington, is considered a voluntary appearance on the part of the witness.

The CHAIRMAN. Your point is noted, counsel.

Will you proceed, Mr. Rice.

Mr. RICE. For the record, I think it should be indicated that the witness is entitled to his expenses to Washington, and that will be taken care of.

Now, your name is Angersola ?

Mr. ANGERSOLA. That is right.

Mr. RICE. John Angersola ?

Mr. ANGERSOLA. Yes.

Mr. RICE. Is that your true name ?

Mr. ANGERSOLA. Yes.

Mr. RICE. Is that your father's name?

Mr. ANGERSOLA. Yes.

Mr. RICE. Do you use other names?

Mr. ANGERSOLA. King.

Mr. RICE. King?

Mr. ANGERSOLA. Yes.

Mr. RICE. John King?

Mr. ANGERSOLA. Yes.

Mr. RICE. How did you arrange for that name?

Mr. ANGERSOLA. I used that for 25, 30, maybe 40 years, since I have been born. It was added on from my brother down, my oldest brother.

Mr. RICE. Your oldest brother started using the name of King?

Mr. ANGERSOLA. That is right.

Mr. RICE. What name do you go by now?

Mr. ANGERSOLA. John King.

Mr. RICE. John King?

Mr. ANGERSOLA. Yes.

Mr. RICE. On your identification card, your driver's license, and things like that, do you go under the name of John King?

Mr. ANGERSOLA. Everything is John King.

Mr. RICE. But your true name is Angersola?

Mr. ANGERSOLA. Well, I won't say that. I have had it changed in the courts.

Mr. RICE. You have had it legally changed?

Mr. ANGERSOLA. Yes.

Mr. RICE. So you are now John King?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. I see. Have you ever used any other names?

Mr. ANGERSOLA. I don't remember.

Mr. RICE. Well, remember.

Mr. ANGERSOLA. It is possible.

Mr. KAPLAN. Think now.

Mr. RICE. For instance, have you ever used the name of John Di Marco?

Mr. ANGERSOLA. Possibly I have.

Mr. RICE. We are not interested in possibilities, Mr. King. Have you ever used it?

Mr. ANGERSOLA. I refuse to answer——

Mr. KAPLAN. Wait a minute.

(Counsel confers with witness.)

Do you know whether you used it?

Mr. ANGERSOLA. I thought I may have used it years back.

Mr. KAPLAN. Well, put in that answer.

Mr. ANGERSOLA. I am not sure, so why should I say it. I think I have used it, maybe. Well, I know in the last 15 years, if that is what you are referring to, I have not used it.

Mr. RICE. Have you ever used the name of John Di Marco?

Mr. ANGERSOLA. It could be possible, 20 years ago I may have used it.

Mr. RICE. How would you account for using another name like that?

Mr. ANGERSOLA (conferring with counsel). That is the only time. Was that in regard to something in Detroit?

Mr. RICE. I am asking you.

Mr. ANGERSOLA. I think I used it there. That is the only time I can remember the name.

Mr. RICE. What did you use that name for, Mr. King?

Mr. ANGERSOLA. Just that way.

Mr. RICE. Why was it necessary to use different names?

Mr. KAPLAN. Maybe you didn't hear his answer.

Mr. RICE. No, I didn't.

Mr. KAPLAN. He says he thinks he used it in connection with an arrest in Detroit years ago, and he is thinking now that he might have used that name, but he has no specific recollection of what the incident is.

Mr. RICE. You were arrested some time ago, is that it?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. What was that about?

Mr. KAPLAN. How many years ago was that?

Mr. ANGERSOLA. About 20 years ago.

Mr. RICE. In Detroit?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. What did they arrest you for?

Mr. ANGERSOLA. As a suspicious person.

Mr. RICE. And you gave them another name; is that it?

Mr. ANGERSOLA. That is right.

Mr. RICE. Just so they wouldn't know who you were?

Mr. ANGERSOLA. I just happened to use that name. I thought they would let me go, and I would just use that name.

Mr. RICE. Have you ever been convicted of any offense?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. What was that?

Mr. ANGERSOLA. Robbery.

Mr. RICE. Robbery?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. Did you ever serve time on that?

Mr. ANGERSOLA. Yes, sir.

Mr. KAPLAN. May I ask, is the Senator getting the witness' answers? The witness said he thinks it was robbery, 30 years ago.

Mr. ANGERSOLA. I think it was 30 years ago.

Mr. KAPLAN. Mr. Chairman, I am not sure that the witness is being heard entirely by the stenographer.

The CHAIRMAN. We have a very expert stenographer, and if he doesn't get it he will tell you.

Mr. KAPLAN. Well, the witness has been speaking in a low tone of voice.

The CHAIRMAN. Well, he can remedy that by speaking somewhat louder.

Mr. KAPLAN. He is somewhat deaf.

The CHAIRMAN. That does not prevent him from talking loudly.

Mr. RICE. What jail did you go to on that?

Mr. ANGERSOLA. The Ohio Penitentiary.

Mr. RICE. The Ohio Penitentiary?

The CHAIRMAN. Keep your voice up, please.

Mr. ANGERSOLA. Yes, sir.

The CHAIRMAN. Thank you.

Mr. RICE. Now then, have you ever been to any other jails? Have you ever been convicted of any other offenses?

Mr. ANGERSOLA. Well, I don't know if it would be a conviction. It was the time of a liquor violation.

Mr. RICE. What did they get you for, bootlegging?

Mr. ANGERSOLA. Well, you could call it that, but it wasn't bootlegging.

Mr. RICE. What did they call it?

Mr. ANGERSOLA. I had a case of whisky in my car.

Mr. RICE. Did you serve any time?

Mr. ANGERSOLA. No, sir.

Mr. RICE. They just arrested you?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. Well, you have been arrested lots of times, haven't you?

Mr. ANGERSOLA. Well—

Mr. RICE. I just asked you about the time you went to jail on it.

Mr. ANGERSOLA. I didn't go to jail.

Mr. RICE. The only time you went to jail was when you went to the Ohio Penitentiary?

Mr. ANGERSOLA. That is right.

Mr. RICE. You have been arrested a number of times outside of that?

Mr. ANGERSOLA. Yes.

Mr. RICE. About 15 or 16 times?

Mr. ANGERSOLA. Possibly.

Mr. RICE. For a number of things?

Mr. ANGERSOLA. Yes, sir.

Mr. KAPLAN. In all fairness, I think it should be indicated when the last arrest took place.

The CHAIRMAN. He can so state it.

Mr. KAPLAN. When were you arrested last, Mr. King?

Mr. ANGERSOLA. Well, I don't know. I think it is maybe, I don't know, maybe 15 years ago.

Mr. KAPLAN. Fifteen year ago.

Mr. RICE. Oh, now, wait a minute. This is 1951.

Mr. ANGERSOLA. There was an indictment against me, but I never was in Cleveland. I was in Florida maybe 10 or 11 years ago, but they indicted me in 1932, which I knew nothing about the thing, if that is what you were referring to.

Mr. RICE. You were fingerprinted in 1937.

Mr. ANGERSOLA. That is about it.

Mr. RICE. And you were fingerprinted again in 1939, on a charge of extortion.

Mr. ANGERSOLA. That is the one I am trying to tell you about. I never was in Cleveland. I had been away from Cleveland since 1935 or 1936.

Mr. RICE. And you were arrested again in 1940 in Miami for vagrancy by loitering.

Mr. ANGERSOLA. Vagrancy.

Mr. RICE. Which they dismissed.

Mr. KAPLAN. Well, in any event, it appears that he has not been arrested for approximately 11 years. That is conceded.

Mr. RICE. Yes. Now, do you know a man by the name of McBride?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. What is his first name?

Mr. ANGERSOLA. Arthur McBride.

Mr. RICE. Is he also known as Mickey?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. Mickey McBride?

Mr. ANGERSOLA. Yes.

Mr. RICE. When did you first meet him?

Mr. ANGERSOLA (conferring with counsel). Maybe 25 or 30 years ago.

Mr. RICE. About 25 or 30 years ago?

Mr. ANGERSOLA. Yes.

Mr. RICE. In what connection was that? Did you do some business for him?

Mr. ANGERSOLA. My brother-in-law did.

Mr. RICE. Your brother-in-law did?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. What is your brother-in-law's name?

Mr. ANGERSOLA. Albasi, John Albasi.

Mr. RICE. How do you spell that name?

Mr. ANGERSOLA. A-l-b-a-s-i.

Mr. RICE. John Albasi did some business for him?

Mr. ANGERSOLA. Yes.

Mr. RICE. What did he do for him?

Mr. ANGERSOLA. He used to be a cleaning contractor.

Mr. RICE. And was McBride in the cleaning business?

Mr. ANGERSOLA. No, sir, he was—I think he was in the real-estate business at the time. In fact, he owns some property, and we cleaned his buildings. I worked on the job.

Mr. RICE. You worked on the cleaning jobs?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. And that is the time you met Mickey McBride?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. Now then, we were talking about McBride, and you said that you had worked on some cleaning jobs for him. Did you ever have any other business with him?

Mr. ANGERSOLA. (conferring with counsel).

Mr. KAPLAN. The witness wishes to confer with his counsel at this point.

The CHAIRMAN. Very well.

(There was a brief interruption.)

Mr. ANGERSOLA. I am not sure whether it was him or Mr. Polizzi that I had a real-estate deal with in maybe 1937 or something like that.

Mr. RICE. Well now, a long time ago, when you were doing the building-cleaning work?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. And you have had no business transactions directly with McBride, or you did not have at that time?

Mr. ANGERSOLA. No.

Mr. RICE. You just met him at that time?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. Now then, after that did you have any business transactions with him, possibly?

Mr. ANGERSOLA. I couldn't swear to that. I don't remember.

Mr. RICE. You couldn't swear that you did not either, could you?

Mr. ANGERSOLA. No. ,

Mr. KAPLAN. His answer was that he may have had some real-estate transaction with him or with Mr. Polizzi.

Mr. ANGERSOLA. But I am not sure.

Mr. KAPLAN. In 1937, he is not absolutely sure.

Mr. ANGERSOLA. I talked to Mr. Polizzi more than to Mr. McBride.

Mr. RICE. Do you connect Mr. Polizzi and Mr. McBride together?

Mr. ANGERSOLA. No, sir.

Mr. RICE. Can't you separate them in your thinking?

Mr. ANGERSOLA. Well, not on that.

Mr. RICE. They are not in the same business?

Mr. ANGERSOLA. Not on that transaction.

Mr. RICE. You mean it is possible that you had a transaction with Polizzi and McBride together?

Mr. ANGERSOLA. Both—I don't know—I mean, I don't remember.

Mr. RICE. What kind of a transaction would that have been?

Mr. ANGERSOLA. Real estate.

Mr. RICE. Buying some property?

Mr. ANGERSOLA. Yes.

Mr. RICE. Where?

Mr. ANGERSOLA. In Coral Gables.

Mr. RICE. What sort of property?

Mr. ANGERSOLA. I don't remember.

Mr. RICE. Was it open lots?

Mr. ANGERSOLA. Open lots; yes, sir; it was no building.

Mr. RICE. And you think maybe that you bought some lots together with Mr. McBride—

Mr. ANGERSOLA. Or Mr. Polizzi; I don't know.

Mr. RICE. Was it possible that you bought it with both of them?

Mr. ANGERSOLA. Yes; it could be; it could be.

Mr. RICE. It could be?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. You could not come any closer than that?

Mr. ANGERSOLA. No, sir.

Mr. RICE. Do you have any records?

Mr. ANGERSOLA. No, sir.

Mr. RICE. Who keeps your records?

Mr. ANGERSOLA. I keep my records.

Mr. RICE. You keep your own records?

Mr. ANGERSOLA. Yes.

Mr. RICE. Could you find out from your records whether you did or not?

Mr. ANGERSOLA. I have not got them.

Mr. KAPLAN. I think this can be checked, and the information can be supplied as to real-estate transactions which he had in Coral Gables, and who the parties in interest were.

Mr. RICE. Now, you say that you keep your own records?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. Where do you keep your records?

Mr. ANGERSOLA. I have no accountant, if that is what you mean.

Mr. RICE. You have an accountant?

Mr. ANGERSOLA. Yes.

Mr. RICE. You have your own records somewhere; don't you?



Mr. ANGERSOLA. He has got them. I get them off of him.

Mr. RICE. Who is that, Giesey?

Mr. ANGERSOLA. No; I haven't seen Giesey in 15 years.

Mr. RICE. You haven't seen Giesey in 15 years?

Mr. ANGERSOLA. That is right, close to it.

Mr. RICE. Are you sure about it?

Mr. ANGERSOLA. I am almost sure; 10 years anyhow.

Mr. RICE. Who is your accountant now?

Mr. ANGERSOLA. Coleman.

Mr. RICE. Coleman?

Mr. ANGERSOLA. Coleman; yes, sir.

Mr. RICE. In Florida?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. In Miami?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. What is his first name?

Mr. ANGERSOLA. I don't know.

Mr. RICE. How do you get ahold of him?

Mr. ANGERSOLA. I call him.

Mr. RICE. He does not have a first name?

Mr. ANGERSOLA. Yes, he does; but I don't call him by his first name.

Mr. RICE. Where is he located in Miami?

Mr. ANGERSOLA. Well, he is located in the telephone book.

Mr. RICE. You just look up and find Mr. Coleman——

Mr. ANGERSOLA. He files my returns. I mean, I am trying to tell you, I really don't know the building, because I have no occasion, or I very seldom call on him. In fact, he comes over and sees me.

Mr. RICE. Where is your office?

Mr. ANGERSOLA. Well, I was at the Grand Hotel.

Mr. RICE. You were where?

Mr. ANGERSOLA. At the Grand Hotel.

Mr. RICE. Now?

Mr. ANGERSOLA. No, I was there then.

Mr. RICE. Yes. Where is your office now?

Mr. ANGERSOLA. Home. I don't have any office.

Mr. RICE. You don't have any office now?

Mr. ANGERSOLA. No, sir.

Mr. RICE. Is that where your records are, at home?

Mr. ANGERSOLA. I have no records at home.

Mr. RICE. Where do you keep your business papers?

Mr. ANGERSOLA. Mr. Coleman has them.

Mr. RICE. He has all of your business papers?

Mr. ANGERSOLA. Yes.

Mr. RICE. Back as far as 1937?

Mr. ANGERSOLA. He may have.

Mr. RICE. He may have?

Mr. ANGERSOLA. Yes, sir (conferring with attorney).

Mr. KAPLAN. Do you keep your insurance policies and things like that yourself?

Mr. ANGERSOLA. Insurance policies. In fact, they have canceled my insurance policies.

Mr. RICE. Let's don't have this colloquy between counsel and the witness. See if we cannot keep the record as straight as possible.

Now, let's go back to the time when you had Giesey. Did you ever have Giesey?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. And what did he do for you?

Mr. ANGERSOLA. He kept my books.

Mr. RICE. He kept your books?

Mr. ANGERSOLA. Yes.

Mr. RICE. And then what became of him?

Mr. ANGERSOLA. I don't know what became of him.

Mr. RICE. Well, did you fire him?

Mr. ANGERSOLA. I just went away from Cleveland. I had no business in Cleveland. I have not been around Cleveland for the last 10 years.

Mr. RICE. So as soon as you left Cleveland you stopped doing business with Giesey; is that right?

Mr. ANGERSOLA. That is right.

Mr. RICE. When was that that you left Cleveland?

Mr. ANGERSOLA. I might have left Cleveland maybe 15 years ago, something like that.

Mr. RICE. Yes; when did you leave?

Mr. ANGERSOLA. About 15 years ago.

Mr. RICE. About 15 years ago?

Mr. ANGERSOLA. Yes.

Mr. RICE. So that Giesey has not made out any returns for you in 15 years?

Mr. ANGERSOLA. It might be 10.

Mr. RICE. It might be 10?

Mr. ANGERSOLA. I don't know, about 10 years, I guess.

Mr. RICE. About 10 years?

Mr. ANGERSOLA. That is right.

Mr. RICE. And you have been using Coleman ever since?

Mr. KAPLAN. Just a moment. With all due respect, Mr. Chairman, these last few answers were quite germane. The witness testified in his last few answers that he had not been in Cleveland and had no business interest in Cleveland for the last 10 or 15 years, that he had gone from Cleveland and left Cleveland entirely. That was the purport of his testimony in the last few questions and answers.

The CHAIRMAN. What is your point?

Mr. KAPLAN. I wanted you to have judicial cognizance of the answers.

The CHAIRMAN. I don't need you to tell me that.

Mr. KAPLAN. Well, you were busy doing something else at the time.

The CHAIRMAN. No, no. Are you making an objection to the question?

Mr. KAPLAN. No.

The CHAIRMAN. Then I would prefer that you wait until a question is asked that you wish to object to.

Mr. KAPLAN. The question has already been answered, but you were engaged in doing something else.

The CHAIRMAN. It is in the record. That is perfectly understandable.

Mr. RICE. Well, it is not clear to me whether he has used Giesey in the last 15 years or the last 10 years.

Did you stop using Giesey at the time you left Cleveland?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. That was the time?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. But you don't know whehter that was 10 or 15 years ags?

Mr. ANGERSOLA. I would say it was about 10 years ago, at least 10 years ago.

Mr. RICE. That would be about 1941?

Mr. ANGERSOLA. That is right.

Mr. RICE. Why did you leave Cleveland?

Mr. ANGERSOLA. Why did I leave Cleveland?

Mr. RICE. Yes.

Mr. ANGERSOLA. I just felt like leaving Cleveland.

Mr. RICE. You just felt like leaving it?

Mr. ANGERSOLA. Yes. I wanted to get away from there.

Mr. RICE. You wanted to get away from there?

Mr. ANGERSOLA. That is right.

Mr. RICE. You wanted to go to Florida?

Mr. ANGERSOLA. Sir?

Mr. RICE. You wanted to go to Florida; is that the idea?

Mr. ANGERSOLA. Yes. I got married and I left for Florida.

Mr. RICE. As soon as you got married, you went to Florida?

Mr. ANGERSOLA. No. I had been to Florida before that.

Mr. RICE. You had been going down there in the wintertime before that?

Mr. ANGERSOLA. I cannot hear you on this ear. I cannot hear at all. It is only this ear that I can hear through. I can't hear on my left ear at all.

Mr. RICE. You cannot hear on your left ear?

Mr. ANGERSOLA. Yes.

Mr. RICE. Do you have trouble hearing me?

Mr. ANGERSOLA. No; I don't now.

Mr. RICE. You heard that?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. Tell me, as close as you can, when was the last time that you were doing business with Giesey?

Mr. ANGERSOLA. I would say 1940.

Mr. RICE. About 1940?

Mr. ANGERSOLA. Something like that.

Mr. RICE. Now, you were in the Buckeye Catering Co. after; weren't you?

Mr. ANGERSOLA. No, sir.

Mr. RICE. When was it you were in the Buckeye Catering Co.?

Mr. ANGERSOLA (conferring with counsel).

Mr. KAPLAN. The witness would like to confer with counsel.

(There was a brief interruption.)

The CHAIRMAN. Now, what is the answer?

Mr. ANGERSOLA. I refuse to answer that question on the ground that it may incriminate me.

The CHAIRMAN. May incriminate you of what?

Mr. KAPLAN. May I urge, Mr. Chairman, that the witness is not required to state in what connection he would be incriminated, and that—

The CHAIRMAN. Do you care to say whether it is a State or Federal offense?

Mr. KAPLAN. It is a Federal offense. He fears incrimination in a Federal offense, and in connection with that, I would now like to call your attention to the following important data:

This witness has been alluded to in numerous pages of testimony conducted by this committee, in hearings conducted by this committee, as an interstate mobster.

The Director of Public Safety of the City of Cleveland testified before this committee, before its extended life, that the witness was an interstate mobster.

Certain Federal tax investigations are now pending with respect to the activities of this witness and his entire family.

Senator Kefauver, who was a member of this committee, has seen fit to write a book, and more recently, syndicated published articles in the newspapers of this country, in which he has referred to this particular witness in a like capacity, and in a press statement issued by you, which appears in the Washington press on Sunday, you, among other things, alluded to this witness in the following fashion, and you said:

Previous testimony before the committee has linked these men—referring to the Angersola brothers, John, this witness, and his brother, George—

with the Mayfield Road gang, with headquarters in Cleveland, and later with Cleveland Syndicate racketeers, who operated major gambling houses in Ohio, Kentucky, Nevada, and Florida.

The CHAIRMAN. May I see the clipping, please?

Mr. KAPLAN. Yes.

The Angersolas have also been associated with Philadelphia and New Jersey underworld figures in the operation of several hotels in Miami Beach.

The CHAIRMAN. Thank you.

Well, counsel, for your information, I will say that I made no such statement, but that does not, of course, alter the point that you probably are alluding to, and that is that the witness has some apprehension, but just for your own information, I made no such statement as contained in this article.

Mr. KAPLAN. I am glad to hear that, Senator.

The CHAIRMAN. But I again repeat that the witness maybe does not know that.

Mr. KAPLAN. Apart from that article; however, I say that the record reeks with suggestions that the witness has been in interstate violations of law falling under Federal jurisdiction, and he has at present, or he is, rather, at present, under serious tax investigation by the United States Government, and in a more extended capacity he is being investigated in the last 6 months, and upon that score he stands upon his constitutional prerogative, and I don't think that the witness is compelled, under the law, to state how the answer will tend to incriminate him.

The CHAIRMAN. Of course, the immediate question was whether it was a State or Federal offense.

Mr. KAPLAN. We claim it with respect to Federal offenses.

Suggestions have been made that he is an interstate Federal violator, as well as investigations that are now hovering about him dealing with his Federal income taxes.

The CHAIRMAN. All right, Mr. Rice.

Mr. RICE. I wonder if we can have the reporter go back to the question about the Buckeye Catering Co. That is the one that precipitated this.

(The record was read by the reporter.)

Mr. RICE. Now, in connection with the question, When were you in the Buckeye Catering Co., that was the one you refused to answer; is that right?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. Let me ask you this, are you now under indictment for either a Federal or State offense?

Mr. ANGERSOLA (conferring with counsel). So far as I know, none.

Mr. RICE. You are not under indictment now, so far as you know?

Mr. ANGERSOLA. Does your fear of incrimination involve yourself alone, or yourself and other people?

Mr. KAPLAN. Just a minute (conferring with witness).

I maintain, Mr. Chairman, that the witness is not compelled to answer that question. He has stated that he refused to answer on the ground that the answer may tend to incriminate him, and that is his constitutional protection, and he has already made that answer.

The CHAIRMAN. What does the witness say?

Mr. KAPLAN. I maintain that the Chairman should rule.

The CHAIRMAN. Counsel, are we to understand that the witness, upon receiving that advice from you, does avail himself of his constitutional right on that ground?

Mr. KAPLAN. Yes, Your Honor.

The CHAIRMAN. All right.

Mr. RICE. Did the offense from which you fear prosecution occur more than 10 years ago?

Mr. ANGERSOLA. I refuse to answer on the ground that it may incriminate me.

Mr. RICE. Did the offense from which you fear prosecution occur more than 7 years ago?

Mr. KAPLAN. May I at this point suggest, Your Honor, Mr. Chairman, humbly, that to compel the witness to determine and state in what fashion he may be incriminated, and the details and the factual data with respect to the so-called fear of incrimination would do away with the very privilege itself, and that these questions are manifestly improper under those circumstances?

The witness has answered questions to the best of his capacity until this very question was put. I think that a private conference between you and counsel for the committee will reveal that it has a grave and dangerous possibility with respect to the incrimination of this witness, and for him now to circumvent the very protection which the witness has, is to deny to the witness any protection whatever.

The CHAIRMAN. Counsel, of course, we can only pass on one question at a time, and obviously there is a proper question or proper series of questions, because the witness cannot just avail himself of that answer to block every conceivable question, so that there is a middle ground within which counsel may operate.

Now, on the last question as to whether or not it is his opinion that it antedated 7 years ago, does he refuse to answer?

Mr. KAPLAN. He refuses to answer on the ground that it might tend to incriminate him.

The CHAIRMAN. You do refuse to answer that question?

Mr. ANGERSOLA. Yes.

Mr. RICE. I would like to ask the Chair at this point to direct the witness to answer that question.

The CHAIRMAN. Yes. The Chair will direct the witness to answer, and is the Chair to understand that he persists in not answering on the grounds set forth?

Mr. KAPLAN. On the grounds that I urged at the very outset—on all the grounds urged up to this point, and upon the further ground that to compel the witness to answer any question on how it would tend to incriminate him, or any variations or gradations of the general claim against self-incrimination, is to in effect invalidate his very protection against self-incrimination.

The CHAIRMAN. Very good. All right. Next question.

Mr. RICE. All right. We have a situation here where the element of time cannot be located even within 10 years in connection with an offense from which he fears prosecution.

Are there any special circumstances, Mr. Witness, which you would like to submit, which would give you grounds to assert the privilege on your refusing to answer?

Mr. KAPLAN. May I state this off the record?

The CHAIRMAN. Yes.

(There was discussion off the record.)

Mr. KAPLAN. I do recite for the record that this witness has no real protection against incriminating himself in certain tax matters, because the statute of limitations is not tolled in certain areas of the United States, and it is not tolled because the tax returns are filed in a district other than where the taxpayer lives, therefore, the taxpayer never gets into the other district, and the statute sometimes can be held open for 15 to 20 years, and so for some wrongdoing committed 15 years ago the witness may still be punishable and answerable.

Mr. RICE. All right. Have you ever had any interest in a boat called the *Wood Duck*?

Mr. ANGERSOLA. Yes, I think so.

Mr. RICE. You think you have?

Mr. ANGERSOLA. Yes.

The CHAIRMAN. Will you answer out loud?

Mr. ANGERSOLA. I had.

Mr. RICE. You had?

Mr. ANGERSOLA. Yes.

Mr. RICE. When did you acquire your interest in the *Wood Duck*?

Mr. ANGERSOLA. Well, I bought it.

Mr. RICE. You bought it.

Mr. ANGERSOLA. Yes, I bought the boat, one of us bought it. It could have been Fred King, or it could have been me.

Mr. RICE. Your brother?

Mr. ANGERSOLA. Yes, but it was in the family.

Mr. RICE. Did you put up any money to buy it?

Mr. ANGERSOLA. I think I put the money up.

Mr. RICE. Who did you buy it from?

Mr. ANGERSOLA. Who did I buy it from? McBride.

Mr. RICE. Which McBride?

Mr. ANGERSOLA. Arthur McBride.

Mr. RICE. "Mickey" McBride?

Mr. ANGERSOLA. Yes.

Mr. RICE. Do you remember me asking you a little while ago if you ever had any business transactions with McBride?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. What did you say?

Mr. ANGERSOLA. I said that I didn't know for sure, I didn't remember having any.

Mr. RICE. You forgot about this *Wood Duck*, didn't you?

Mr. ANGERSOLA. That is right, yes, sir.

Mr. RICE. So now you remember about the *Wood Duck*?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. Well now, tell us what that transaction was, how that came about.

Mr. ANGERSOLA. I just bought the boat off him. There was no transaction. I don't remember what I paid, whether it was \$6,000 or \$7,000, something like that.

Mr. RICE. How did you get in touch with him? Where did you start the negotiations, in Florida?

Mr. ANGERSOLA. It might have been in Cleveland.

Mr. RICE. Where did you buy it?

Mr. ANGERSOLA. I really don't remember just where I started the negotiations, but I bought it.

Mr. RICE. I beg your pardon.

Mr. ANGERSOLA. I don't remember where the negotiations started, whether it was in Cleveland or Florida.

Mr. RICE. Where did you buy it?

Mr. ANGERSOLA. I bought it and had it—well, you see, I don't remember if I bought it in Cleveland or in Florida, because he had to come down to Florida.

Mr. RICE. Where did you dicker with him?

Mr. ANGERSOLA. Oh, about 10 years ago.

Mr. RICE. Yes, but where did you dicker with McBride? Where did you talk to him about buying it?

Mr. ANGERSOLA. That was 10 years ago. And you asked me where?

The CHAIRMAN. Just state, if you know.

Mr. ANGERSOLA. Yes, I bought the boat.

The CHAIRMAN. But where, if you know?

Mr. ANGERSOLA. I don't know.

The CHAIRMAN. That is enough.

Mr. ANGERSOLA. I would like to answer that question. I really would like to answer that question. I don't know why, but I would.

Mr. RICE. Do you know how much you paid for it?

Mr. ANGERSOLA. I don't know. I think it was between \$6,000 and \$7,000, if I ain't mistaken.

Mr. RICE. Do you know where you took delivery of it? Where did you get it? Where did you first get your hands on it?

Mr. ANGERSOLA. That is what I don't know.

Mr. RICE. You can't remember where it was?

Mr. ANGERSOLA. Florida or Cleveland.

Mr. KAPLAN. Where was the boat tied up?

Mr. ANGERSOLA. It was tied up in both places, it was tied up on the Forty-ninth Street dock, and it was tied up in Miami Beach.

The CHAIRMAN. We will just suspend for a minute.

(There was a brief interruption, during which time Senator Hunt entered the room, after which the following proceedings were had:)

The CHAIRMAN. You may proceed.

Mr. RICE. Will you read the last question and answer, please?

(The record was read by the reporter.)

Mr. ANGERSOLA. When I said the Forty-ninth Street dock, I meant in Cleveland, Ohio.

Mr. RICE. When you looked at the boat with the idea in mind of buying it, where was it?

Mr. ANGERSOLA. At the Forty-ninth Street dock.

Mr. RICE. In Cleveland?

Mr. ANGERSOLA. Yes.

Mr. RICE. And did you start the negotiations yourself?

Mr. ANGERSOLA. I don't remember anything about it. I don't know if I started it, or how it was.

Mr. RICE. Did you need a boat?

Mr. ANGERSOLA. I liked the boat.

Mr. RICE. You liked it?

Mr. ANGERSOLA. Yes.

Mr. RICE. Did you need one then?

Mr. ANGERSOLA. I don't know.

Mr. RICE. Did you want one?

Mr. ANGERSOLA. No.

Mr. RICE. You didn't want one?

Mr. ANGERSOLA. I don't want one now.

Mr. RICE. Then did you want one?

Mr. ANGERSOLA. I would have like to have it.

Mr. RICE. So you went around and looked for one?

Mr. ANGERSOLA. No.

Mr. RICE. Well, tell us about the thing. You remember how you bought the boat from McBride, surely.

Mr. ANGERSOLA. I did not go around looking for a boat. I just happened to like that boat, and I thought he wanted to sell it, and I thought I could buy it.

Mr. RICE. After you looked at it, didn't you find out that it belonged to McBride, or did you already know that?

Mr. ANGERSOLA. I knew it belonged to McBride.

Mr. RICE. Had you been on it before?

Mr. ANGERSOLA. Had I been on it before?

Mr. RICE. Yes, had you taken a ride with McBride on it?

Mr. ANGERSOLA. I don't remember.

Mr. RICE. Is it possible?

Mr. ANGERSOLA. It is possible.

Mr. RICE. After riding on it with Mr. McBride, you decided you liked it?

Mr. ANGERSOLA. No. I don't remember. I couldn't say that. I couldn't say if I ever was on it before, but it could be possible, but I don't remember it.



Mr. RICE. Did you buy it without taking a ride on it?

Mr. ANGERSOLA. Well, I knew the boat.

Mr. RICE. How did you know it?

Mr. ANGERSOLA. It was talked about as a boat, a beautiful boat, and you couldn't buy anything anywhere near that for that kind of money.

Mr. RICE. What was the word, why did he want to sell it?

Mr. ANGERSOLA. I don't know.

Mr. RICE. Well, it was supposed to be a good buy, wasn't it?

Mr. ANGERSOLA. Just tell me what you are trying to get at, and I will try to explain. I really mean it. Tell me what you are trying to get at and I will explain; whatever you want me to say, I will say——

Mr. RICE. How it happened that you bought that boat, what were the circumstances?

Mr. ANGERSOLA. It was a fishing boat, a good boat, no other reason.

Mr. RICE. How did you come to buy that particular one? Why didn't you buy one from the factory?

Mr. ANGERSOLA. It would cost too much.

Mr. RICE. How did you know you could get it from McBride?

Mr. ANGERSOLA. What?

Mr. RICE. How did you know you could get it from McBride?

Mr. ANGERSOLA. I think I knew he wanted to sell it.

Mr. RICE. How did you know it?

Mr. ANGERSOLA. How did I know that? How do I know anything? Maybe I even spoke to him. I don't remember. You know, I mean, it is such a long time—if you will tell me what you want, I will say——

Mr. RICE. Were you with him on the boat?

Mr. ANGERSOLA. Was I ever with him on the boat?

Mr. RICE. Yes.

Mr. ANGERSOLA. It is possible I have been, but very seldom.

Mr. RICE. Before you bought it?

Mr. ANGERSOLA. Yes.

Mr. RICE. You think you might have been with him?

Mr. ANGERSOLA. I may have been.

Mr. RICE. And you found out that he wanted to sell it?

Mr. ANGERSOLA. That is right.

Mr. RICE. And you said, "I will buy it"?

Mr. ANGERSOLA. No. I imagine my brother, Freddie—you see, Freddie was with McBride, he used to work for McBride.

Mr. RICE. In what business?

Mr. ANGERSOLA. He was a circulation manager of the News, and Freddie was one of his road men.

Mr. RICE. What News?

Mr. ANGERSOLA. The News, the Daily News, Cleveland Daily News.

Mr. RICE. He was circulation manager?

Mr. ANGERSOLA. He was.

Mr. RICE. You mean McBride?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. What did Freddie do?

Mr. ANGERSOLA. Freddie must have made the contact. I think, in fact, I am not even sure whether I bought it or Freddie bought it. That is what I told you before.

Mr. KAPLAN. He put up the money, though.

Mr. RICE. Now, it was your money?

Mr. ANGERSOLA. What?

Mr. RICE. It was your money?

Mr. ANGERSOLA. Yes.

Mr. RICE. How much money did you put up?

Mr. ANGERSOLA. I don't remember if it was \$6,000 or \$7,000, something like that.

Mr. RICE. Did you have a bank account?

Mr. ANGERSOLA. I may have had one. I don't know. Do you mean, did I give him a check?

Mr. RICE. Yes.

Mr. ANGERSOLA. I don't think so.

Mr. RICE. You don't think so?

Mr. ANGERSOLA. No, sir; I don't know, but I don't think so.

Mr. RICE. Well, did you give him cash?

Mr. ANGERSOLA. I may have given him cash, yes, sir. I don't know, if I had a check, I would know myself. Sure, I might have had a bank account, but I don't remember whether I gave him a check or cash.

Mr. RICE. Where did you have your bank account at that time?

Mr. ANGERSOLA. At that time?

Mr. RICE. Yes.

Mr. ANGERSOLA. I imagine I had it in the Mercantile National Bank,

Mr. RICE. In Miami Beach?

Mr. ANGERSOLA. Yes.

Mr. RICE. What year was that, about what year?

Mr. ANGERSOLA. I imagine about 1940.

Mr. RICE. About when?

Mr. ANGERSOLA. About 1940?

Mr. RICE. About 1940?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. And you moved all of your money down to Miami Beach then?

Mr. ANGERSOLA. You can call it that.

Mr. RICE. I beg your pardon.

Mr. ANGERSOLA. You can call it that.

Mr. RICE. Well, I am not suggesting anything. I am asking you where your bank account was.

Mr. ANGERSOLA. I said at Miami Beach.

Mr. RICE. At Miami Beach?

Mr. ANGERSOLA. That is right.

Mr. RICE. You don't think you gave him a check on the Mercantile Bank, but you think you gave him cash?

Mr. ANGERSOLA. I don't know.

Mr. RICE. You don't know?

Mr. ANGERSOLA. I don't know. I could have given him a check; I could have given him cash. I don't remember.

Mr. RICE. Do you keep your old check books?

Mr. ANGERSOLA. I did; yes.

Mr. RICE. How many years do you have your check books for?

Mr. ANGERSOLA. Well, the last time I had—I think I had them all the way back—I think the bank has photostatic copies of them.

Mr. RICE. I asked you how many years you keep your check books?

Mr. ANGERSOLA. Maybe for 4 or 5 years.

Mr. RICE. Four or 5 years?

Mr. ANGERSOLA. Yes.

Mr. RICE. But you wouldn't have any check book for that, would you?

Mr. RICE. Well now, you were up in Cleveland when you bought it, weren't you?

Mr. ANGERSOLA. I don't remember.

Mr. RICE. You don't remember?

Mr. ANGERSOLA. No.

Mr. RICE. You don't know whether it was Cleveland or Miami?

Mr. ANGERSOLA. No, sir.

Mr. RICE. Did you ever take a ride on that boat?

Mr. ANGERSOLA. Prior to that?

Mr. RICE. Yes.

Mr. ANGERSOLA. Well——

Mr. RICE. Did you ever take a trip on it?

Mr. ANGERSOLA. A trip?

Mr. RICE. Yes; a trip.

Mr. ANGERSOLA. No.

Mr. RICE. You never took a trip?

Mr. ANGERSOLA. No. You mean a trip—now, you say a trip?

Mr. RICE. Yes.

Mr. ANGERSOLA. No.

Mr. RICE. What is the longest period of time you spent on that boat?

Mr. ANGERSOLA. The furtherest trip I ever took was to Bimini and back.

Mr. RICE. How many hours would that take?

Mr. ANGERSOLA. Four hours, maybe 5 hours.

Mr. RICE. And that is the longest trip you ever took on that boat?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. Whose boat was it? Who took title to it?

Mr. ANGERSOLA. I imagine I did.

Mr. RICE. You imagine you did?

Mr. ANGERSOLA. Yes.

Mr. RICE. Well, who did do it?

Mr. ANGERSOLA. My wife or I.

Mr. RICE. Fred did not take it?

Mr. ANGERSOLA. I don't think so. I think my wife——

Mr. RICE. You think it was yourself?

Mr. ANGERSOLA. I think my wife.

Mr. RICE. What is your wife's name?

Mr. ANGERSOLA. Amy.

Mr. RICE. Amy?

Mr. ANGERSOLA. Yes.

Mr. RICE. How long did you have it?

Mr. ANGERSOLA. The boat?

Mr. RICE. Yes.

Mr. ANGERSOLA. Well, I must have had it about 5 years.

(At this point Senator O'Connor left the room and Senator Hunt presided as acting chairman.)

Mr. RICE. And then what became of it?

Mr. ANGERSOLA. Well, I gave a fellow—a fellow was going to charter it.

Mr. RICE. I beg your pardon.

Mr. ANGERSOLA. He was going to use it as a charter boat, and he gave me \$2,500. He started to charter the boat for 50 percent of it. We were going in, and he would charge it, because the boat was too big an expense for me, and I said, "Maybe you can make some money. You can make a living and I can make a little interest."

And he said, "All right."

Now, the boy's name was Chuck Regan.

Mr. RICE. Down in Florida?

Mr. ANGERSOLA. That is right. He chartered the boat. Then the war came along, and the Coast Guard took it over. After the Coast Guard took it over, he gave me the boat back, and I gave him some money back. I think I gave him \$2,000 back, and the longest trip I ever took on it, I went to Bimini, and that was the longest trip I ever made. I think you are referring to an article that the boat went to Cuba, Mexico, or whatever it was. There never was no such thing, never, on my word, you have got that, and at no time was there anyone, like they said, I read the same article, and I think that is why I told you, if you tell me about the article that the boat went to Mexico, and all that baloney, the newspaper wrote it up. I seen that article, and there was never no such thing.

Mr. RICE. What became of the boat?

Mr. ANGERSOLA. Mr. Polizzi has it.

Mr. RICE. Now then, when did you sell it to—which Polizzi was it?

Mr. ANGERSOLA. Al Polizzi.

Mr. RICE. "Big Al"?

Mr. ANGERSOLA. That is right.

Mr. RICE. And you sold it to him?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. When was that?

Mr. ANGERSOLA. About 4 years ago?

Mr. RICE. About when?

Mr. ANGERSOLA. Four years ago.

Mr. RICE. About 1947?

Mr. ANGERSOLA. 1946 or 1947.

Mr. RICE. When did you first meet Al Polizzi?

Mr. ANGERSOLA. That is back a long time; you are taking me back close to 40 years.

Mr. RICE. Forty years ago?

Mr. ANGERSOLA. No; I said close, anywhere between there—35 years, anyhow.

Mr. RICE. Were you ever in business with Polizzi?

Mr. KAPLAN (conferring with witness). The witness would like to answer this question in a limited way, and exert his constitutional privilege with respect to part of the answer. In other words, he was in certain real-estate business with Mr. Polizzi.

Mr. RICE. Then the answer to that question is "Yes." And the question was, Were you ever in business with Polizzi; then the answer is "Yes."

Mr. KAPLAN. No, he wants to state in answer to that question that he was in the real-estate business with him, and in the hotel business with him, and with respect to any other business, he would like to

assert his constitutional privilege against self-incrimination, and more particularly may I again call your attention to the off-the-record discussion dealing with the Buckeye Catering Co., the same dangers are inherent in giving that answer in this question as were inherent in the other questions relating to the Buckeye Catering Co.

Mr. RICE. Off the record.

(There was discussion off the record.)

Senator HUNT. Back on the record.

Mr. RICE. Let us explore that *Wood Duck* transaction a little further. May we take it from his answer that he knows Al Polizzi and has transacted some business with him? What was the deal about the *Wood Duck*, how did it happen that Polizzi took the *Wood Duck*?

Mr. ANGERSOLA. He liked the boat.

Mr. RICE. He liked the boat?

Mr. ANGERSOLA. Yes.

Mr. RICE. And he had taken a ride on it?

Mr. ANGERSOLA. Oh, yes; he went fishing a number of times.

Mr. RICE. A number of times?

Mr. ANGERSOLA. Oh, yes.

Mr. RICE. He was a friend of yours?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. And you wanted to sell it?

Mr. ANGERSOLA. Yes.

Mr. RICE. How much did he pay for it?

Mr. ANGERSOLA. I think it was \$5,000. I don't remember just what it was. I think he gave me a check, but I just don't recall the figure.

Mr. RICE. Did you get your money out of it? Did you lose money or make money?

Mr. ANGERSOLA. I lost very little money, I lost a little.

Mr. RICE. You just lost a little money?

Mr. ANGERSOLA. That is right.

Mr. RICE. And he gave you a check?

Mr. ANGERSOLA. Possibly.

Mr. RICE. You think he gave you a check for about \$5,000?

Mr. ANGERSOLA. I think so.

Mr. RICE. What did you do with the check?

Mr. ANGERSOLA. I must have deposited it.

Mr. RICE. You must have deposited it?

Mr. ANGERSOLA. Yes.

Mr. RICE. Where?

Mr. ANGERSOLA. In the bank.

Mr. RICE. In the Mercantile Bank?

Mr. ANGERSOLA. I must have.

Mr. RICE. What name do you have on your account?

Mr. ANGERSOLA. John King.

Mr. RICE. Is that a joint account with your wife?

Mr. ANGERSOLA. No, sir.

Mr. RICE. Did she have a separate account?

Mr. ANGERSOLA. Yes.

Mr. RICE. In the same bank?

Senator HUNT. Mr. King, keep your voice up. It is a little difficult to hear you.

Mr. RICE. Did you say she had an account there?

Mr. ANGERSOLA. I don't think so.

Mr. RICE. Where does she have an account?

Mr. ANGERSOLA. I don't know.

Mr. RICE. You don't know where your wife has an account?

Mr. ANGERSOLA. I don't know whether it is the Federal Trust or First Federal.

Mr. RICE. Is it at Miami Beach, a Miami Beach bank?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. The First Federal?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. Can you draw checks on her account?

Mr. ANGERSOLA. I don't know whether it is First Federal, you know, but I think it is First Federal, I am almost sure.

Mr. RICE. Can you draw checks on her account?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. You can?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. On her account?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. So that her account is a joint account?

Mr. ANGERSOLA. We both can sign it; that is right.

Mr. RICE. You both can sign it?

Mr. ANGERSOLA. That is right.

Mr. RICE. Do you ever do that?

Mr. ANGERSOLA. No, sir.

Mr. RICE. Do you ever put money in that account?

Mr. ANGERSOLA. Do I ever give her money?

Mr. RICE. Do you ever put money in her account?

Mr. ANGERSOLA. No.

Mr. RICE. Where does her money come from?

Mr. ANGERSOLA. Where does it come from?

Mr. RICE. Yes.

Mr. ANGERSOLA. I give it to her.

Mr. RICE. She does not work?

Mr. ANGERSOLA. No; I give it to her.

Mr. RICE. So your money goes into her account?

Mr. ANGERSOLA. You asked me if I deposited money in her account, and I myself don't deposit it. Is that what you are asking me?

Mr. RICE. Well, all the money that goes into her account comes from you, doesn't it?

Mr. ANGERSOLA. I wouldn't say that.

Mr. KAPLAN. I think that is a conclusion.

Mr. RICE. Well, let's find out.

Mr. ANGERSOLA. You asked me if I deposited the money in her account, and I said I did not deposit it, but I gave her money. She may deposit it, but I don't deposit it.

Mr. RICE. So far as you know, she doesn't have any other source of income?

Mr. ANGERSOLA. She has some income.

Mr. RICE. What is that from?

Mr. ANGERSOLA. Some stocks.

Mr. RICE. Are those her own stocks that you gave her or are they her own?

Mr. ANGERSOLA. They are her own.

Mr. RICE. That she had before you married her?

Mr. ANGERSOLA. I don't know if she had them before I married her. She had money. I didn't ask her how much money she had, and I didn't ask her to this day how much money she has got.

Mr. RICE. When you married her did she own those stocks?

Mr. ANGERSOLA. I don't know.

Mr. RICE. Yes; you do.

Mr. ANGERSOLA. She had money. I don't know what stocks she has. I don't know if she has the same stocks or what.

Mr. RICE. She has bought stock since you have been married, hasn't she?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. And you know about that?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. And that was with money you gave her?

Mr. ANGERSOLA. No. She had some of her own money and I have given her some, too.

Mr. RICE. You might have given her some, too?

Mr. ANGERSOLA. Yes.

Mr. RICE. In any event, she does not work, she does not have income other than from her investments?

Mr. ANGERSOLA. No.

Mr. RICE. So any money going into her bank account will either come from you or from her own investments?

Mr. ANGERSOLA. That is right.

Mr. RICE. Now, what other bank accounts do you have?

Mr. ANGERSOLA. What other bank accounts?

Mr. RICE. Yes.

Mr. ANGERSOLA. None.

Mr. RICE. That is the only one?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. Do you have a safe-deposit box?

Mr. ANGERSOLA. No, sir.

Mr. RICE. You do?

Mr. ANGERSOLA. No; I don't think I have. I think I had one. I don't know.

Mr. RICE. Where was that?

Mr. ANGERSOLA. At the same place.

Mr. RICE. Did you close that out?

Mr. ANGERSOLA. The same bank.

Mr. RICE. I say, did you close that box out?

Mr. ANGERSOLA. I don't know if I closed it out or not. I don't remember. I don't think I have.

Mr. KAPLAN. Have you used it in the last few years?

Mr. ANGERSOLA. No, I have not used it in the last year, anyhow.

Mr. KAPLAN. Is there anything in it now?

Mr. ANGERSOLA. I don't know. I don't think so.

Mr. RICE. Do you have a key to it?

Mr. ANGERSOLA. It could be. I think I have a key.

Mr. RICE. You think you have a key?

Mr. ANGERSOLA. Well, I don't remember. No, this is the truth, Mr. Chairman, I really don't remember if I gave it in, because it was under my brother's name, and on my own——

Mr. RICE. It is a joint box?

Mr. ANGERSOLA. Yes.

Mr. RICE. With which brother?

Mr. ANGERSOLA. I think it was my wife and I had it joint, now. I don't know if she has the key yet or if I have it. I haven't got it with me, and if I have it it is at home.

Mr. KAPLAN. Did you ever have a vault in your own name?

Mr. ANGERSOLA. In my own name?

Mr. KAPLAN. Yes.

Mr. ANGERSOLA. No, not that I remember.

Mr. RICE. You don't have any recollection of closing out that box, do you?

Mr. ANGERSOLA. No, I don't.

Mr. RICE. It is still active, so far as you know?

Mr. ANGERSOLA. I think so.

Mr. RICE. You are still paying rent on it, aren't you?

Mr. ANGERSOLA. I think so.

Mr. RICE. What do you have in the box?

Mr. ANGERSOLA. I have money in it.

Mr. RICE. Cash money?

Mr. ANGERSOLA. Yes.

Mr. RICE. How much cash money?

Mr. ANGERSOLA. I don't know.

Mr. RICE. I submit, Mr. Chairman, that it is a little bit difficult to accept that as an answer.

Mr. ANGERSOLA. Well, I have no money in it now.

Mr. RICE. You have no money there?

Mr. ANGERSOLA. No.

Mr. RICE. Oh, you did have money in there?

Mr. ANGERSOLA. Yes.

Mr. RICE. What became of the money?

Mr. ANGERSOLA. I might have bought real estate, I don't remember just what I used it for.

Mr. RICE. But you don't have any in there now?

Mr. ANGERSOLA. No.

Mr. KAPLAN. Might I call your attention to the fact that he says he has not used it in the last year at all; it was a joint vault?

Mr. RICE. When was the last time you had cash money in there?

Mr. KAPLAN. When did you use the box last; do you know? (Conferring with witness.)

May I have the last question, please?

Mr. RICE. When was the last time you had cash money in the box?

Mr. ANGERSOLA. It might have been 3 or 4 years ago, 3 years ago, 3 or 4 years ago.

Mr. RICE. And your best recollection is that you took it out in connection with a real-estate transaction?

Mr. ANGERSOLA. Yes.

Mr. RICE. What do you have in the box now?

Mr. KAPLAN. What do you have in the box?

(Mr. Angersola conferring with counsel.)



Mr. KAPLAN. The witness would like to consult with counsel. The witness says he has nothing in the box. He says he doesn't think he has anything. That is his answer.

Mr. RICE. Do you have a will?

Mr. ANGERSOLA. No, sir.

Mr. RICE. You don't have a written will?

Mr. ANGERSOLA. No, sir.

Mr. RICE. Do you have any stocks?

Mr. ANGERSOLA. (No response.)

Mr. RICE. Do you have any stocks, any investments?

Mr. ANGERSOLA. Yes. Well, I mean, I haven't bought any stocks for so long. I had stocks. I don't even know if I have them yet.

Mr. KAPLAN. How many years ago did you buy the last stock?

Mr. ANGERSOLA. I don't know if I bought it or if my wife bought it.

Mr. KAPLAN. He doesn't know if he bought it or if his wife bought the stock. But what was the last transaction you can remember?

Mr. ANGERSOLA. The last one I can remember is about 15, maybe longer than that, maybe 16 or 17 years ago.

Mr. RICE. How would you find out if you had any or not; what would you do if you had to find out whether you had any stock or not?

Mr. ANGERSOLA. What would I do?

Mr. RICE. Yes.

Mr. ANGERSOLA. They generally send you dividend checks.

Mr. RICE. They send you a dividend check?

Mr. ANGERSOLA. Yes.

Mr. RICE. Did you have any stock dividends?

Mr. ANGERSOLA. I didn't get no dividend check.

Mr. RICE. So you don't know whether you have got stock or not?

Mr. ANGERSOLA. I remember that I bought some kind of stock.

Mr. RICE. What kind of stock did you buy?

Mr. ANGERSOLA. Maybe a thousand dollars that I invested.

Mr. RICE. In what stock?

Mr. ANGERSOLA. I don't recall the name of the stock.

Mr. KAPLAN. Was it Paramount Pictures?

Mr. ANGERSOLA. No, Paramount I bought 20 years ago. This is—some fellow said I should buy this stock. It wasn't on the stock market.

Mr. RICE. What sort of stock was it, oil stock?

Mr. ANGERSOLA. I think I paid 60 cents a share.

Mr. RICE. What was it, gold? Was it a gold mine?

Mr. ANGERSOLA. No.

Mr. RICE. What was it?

Mr. ANGERSOLA. It was supposed to be—I don't know—it must be at least 5 or 6 years ago.

Mr. RICE. Well, you invested money, and you might lose the money, but you thought you might make some. What kind of stock was it? What kind of a corporation?

Mr. KAPLAN. You must realize that this was only a thousand dollar's worth of stock.

Mr. ANGERSOLA. That is the amount——

Mr. RICE. I am interested in the business they were in.

Mr. ANGERSOLA. I think I bought it, it averaged around about \$600 or \$700.

Mr. RICE. Yes. What sort of business was it?

Mr. ANGERSOLA. What?

Mr. RICE. What business was it?

Mr. ANGERSOLA. I don't know. He just give me the name of it, and I sent over and I got it.

Mr. KAPLAN. Who has the certificates, the pieces of paper?

Mr. ANGERSOLA. I don't know.

Mr. KAPLAN. You have not got them?

Mr. ANGERSOLA. No.

Mr. KAPLAN. Did you ever get them yourself?

Mr. ANGERSOLA. I got it, but I don't remember what become of it. I don't think it is any good. The last I heard of it, I think it was 35 cents.

Mr. RICE. What was it, oil? Was it oil?

Mr. ANGERSOLA. I could not tell you what it was.

Mr. RICE. You don't know what it was?

Mr. ANGERSOLA. No, just the name of the company, and I don't remember what it was, whether it was oil, or like you said, gold or brass, I don't know.

Mr. RICE. Who owned it before you? Who sold it to you? Who is the broker?

Mr. ANGERSOLA. I don't know that either.

Mr. RICE. Who did you buy it from?

Mr. ANGERSOLA. I think my wife bought it.

Mr. RICE. Oh, your wife bought it?

Mr. ANGERSOLA. I think I made her get it.

Mr. RICE. You think you made her get it?

Mr. ANGERSOLA. I know it sounds so fishy, you know, this whole thing, but it is something that doesn't amount to anything in the first place, whatever it is. I don't know what it could have to do with this whole thing, and I really cannot recall, because my memory is not too keen.

Mr. RICE. Do you know what city you were in when you bought it?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. What city?

Mr. ANGERSOLA. Florida.

Mr. RICE. Where?

Mr. ANGERSOLA. Miami.

Mr. RICE. Miami?

Mr. ANGERSOLA. That is right.

Mr. RICE. Miami?

Mr. ANGERSOLA. That is right.

Mr. RICE. What is the man who interested you in this stock?

Mr. ANGERSOLA. I don't remember just who it was.

Mr. RICE. You don't know who it was that told you about it?

Mr. ANGERSOLA. No, sir.

Mr. RICE. Do you know who it was that recommended it to you?

Mr. ANGERSOLA. That is what I say, I don't remember.

Mr. RICE. You don't know who that was either?

Mr. ANGERSOLA. That is the one who recommended it.

Mr. RICE. Did you ever get a dividend check from it?

Mr. ANGERSOLA. No, sir.

Mr. RICE. You never got 1 penny from it?

Mr. ANGERSOLA. No, sir.

Mr. RICE. Do you still have the stock certificates?

Mr. ANGERSOLA. I don't know.

Mr. RICE. If you did have it, where would you have it?

Mr. ANGERSOLA. I would have it in the drawer.

Mr. KAPLAN. Mr. Chairman, may I suggest that the witness has already testified that the last time he heard of the stock it was worth 35 cents a share, and he invested approximately \$600 in the stock and didn't know whether he took title to the stock in his own or his wife's name.

Mr. RICE. How much was it a share when you bought it?

Mr. ANGERSOLA. I think about 60 cents.

Mr. RICE. And it dropped to 35?

Mr. ANGERSOLA. Thirty or thirty-five.

Mr. RICE. How did you find that out?

Mr. ANGERSOLA. Some fellow told me about it.

Mr. RICE. Who told you about it?

Mr. ANGERSOLA. The same fellow, whoever it was. I just don't remember who it was.

Mr. RICE. Yes.

Mr. ANGERSOLA. That was about 5 or 6 years ago.

Mr. RICE. And you think you have the certificates in a drawer?

Mr. ANGERSOLA. I would have it some place in a drawer; yes.

Mr. RICE. Where? In what house?

Mr. ANGERSOLA. Home; my house, in a desk.

Mr. RICE. In a desk?

Mr. ANGERSOLA. Yes.

Mr. RICE. Do you have anything else in that drawer? Do you have any bonds in there?

Mr. ANGERSOLA. No, sir.

Mr. RICE. Do you have any Government bonds?

Mr. ANGERSOLA. No, sir.

Mr. RICE. Did you ever buy any Government bonds?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. What did you do with those?

Mr. ANGERSOLA. I gave them to my children.

Mr. RICE. Where did you keep those?

Mr. KAPLAN. He says he gave them to his children.

Mr. ANGERSOLA. My wife has them.

Mr. RICE. Your wife has them?

Mr. ANGERSOLA. Yes.

Mr. RICE. Where does she keep them?

Mr. ANGERSOLA. I think in the safe deposit box.

Mr. RICE. What else is in that safe deposit box? Do you have any insurance policies?

Mr. ANGERSOLA. It might be.

Mr. RICE. It might be?

Mr. ANGERSOLA. I might have some policies.

Mr. RICE. But you don't know whether you have any insurance or not?

Mr. ANGERSOLA. No. I have no insurance. They canceled my insurance. Nobody wanted to insure me.

Mr. RICE. Nobody wanted to insure you?

Mr. ANGERSOLA. Yes.

Mr. RICE. Why?

Mr. ANGERSOLA. I don't know.

Mr. RICE. You know better than that.

Mr. ANGERSOLA. Since this committee, my insurance has been canceled, even on my automobile.

Mr. RICE. Since the committee?

Mr. ANGERSOLA. That is right.

Mr. RICE. We have nothing to do with insurance.

Mr. ANGERSOLA. I know you have not, but I know I have been insured by one company for the last 13 or 14 years, and I got a cancellation.

Mr. RICE. What type of insurance was that?

Mr. ANGERSOLA. On my automobile.

Mr. RICE. How about on your life?

Mr. ANGERSOLA. I have none.

Mr. RICE. You don't have any life insurance?

Mr. ANGERSOLA. No.

Mr. RICE. The insurance you are talking about that was canceled, that was on your automobile?

Mr. ANGERSOLA. That is right.

Mr. RICE. What company was that?

Mr. ANGERSOLA. Kelley.

Mr. RICE. Kelley?

Mr. ANGERSOLA. Sheriff Kelley. After he took office, he canceled my insurance.

Mr. RICE. Sheriff Kelley down in Dade County handled it?

Mr. ANGERSOLA. That is right.

Mr. RICE. He canceled it after he took office?

Mr. ANGERSOLA. He insured me for over 15 years.

Mr. RICE. On your car?

Mr. ANGERSOLA. On everything.

Mr. RICE. What else besides your car?

Mr. ANGERSOLA. My home.

Mr. RICE. Fire insurance?

Mr. ANGERSOLA. Yes.

Mr. RICE. And business?

Mr. ANGERSOLA. And business.

Mr. RICE. After he took office he canceled everything?

Mr. ANGERSOLA. Yes.

Mr. KAPLAN. And then they canceled Sheriff Kelley.

Mr. ANGERSOLA. I have the letter home, but I know it was canceled.

Mr. RICE. What was the general idea about it, what did it say?

Mr. ANGERSOLA. Something like a bad risk.

Mr. RICE. They said you were a bad risk from there on out?

Mr. ANGERSOLA. Yes.

Mr. RICE. Did they say they didn't care to do business with you?

Mr. ANGERSOLA. I just don't recall.

Mr. RICE. You have this house at LaGorce Drive, don't you, at 5440?

Mr. ANGERSOLA. That is right.

Mr. RICE. Is that in your name?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. Or is that joint with your wife?

Mr. ANGERSOLA. My wife and I.

Mr. RICE. In your wife's name?

Mr. ANGERSOLA. Either her, or both of us. Her, I think. I don't know whether it is her alone or both of us. If anything, it is her alone, or both of us.

Mr. RICE. But it was your money that bought it, though, wasn't it?

Mr. ANGERSOLA. Yes.

Mr. RICE. How much did you pay for it?

Mr. ANGERSOLA. \$40,000.

Mr. RICE. Did you pay that in cash?

Mr. ANGERSOLA. \$40,000 or \$45,000; yes, sir.

Mr. RICE. You paid that in cash?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. Where did you get the cash?

Mr. ANGERSOLA. I had it.

Mr. RICE. You had it?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. Where did you have it?

Mr. ANGERSOLA. Home.

Mr. RICE. Home?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. Where?

Mr. ANGERSOLA. I had it in a box at home.

Mr. RICE. At the bank?

Mr. ANGERSOLA. No; at my home.

Mr. RICE. Did you have a box at home?

Mr. ANGERSOLA. No, sir.

Mr. RICE. A strong box?

Mr. ANGERSOLA. No, sir.

Mr. KAPLAN. Was that all paid at one time, that \$40,000.

Mr. ANGERSOLA. No.

Mr. KAPLAN. It was paid out over a period of time?

Mr. ANGERSOLA. Yes.

Mr. RICE. Now, let's go over that. What year did you buy the house, approximately?

Mr. ANGERSOLA. Four years ago.

Mr. RICE. Four years ago?

Mr. ANGERSOLA. Four or five years ago.

Mr. RICE. And you were living in another house then, weren't you?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. That was what, Alton Road?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. Did you sell the Alton Road house?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. You don't own that any more?

Mr. ANGERSOLA. No, sir.

Mr. RICE. And you sold the Alton Road house—well, you bought the La Gorce Drive first, didn't you, before you sold the other?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. Who was the person you did business with on the house on LaGorce Drive? Who did you buy it from?

Mr. ANGERSOLA. Mr. Delmar.

Mr. RICE. Mr. Who?

Mr. ANGERSOLA. Delmar.

Mr. RICE. Delmar?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. Was he a real-estate man?

Mr. ANGERSOLA. I don't know.

Mr. RICE. Did you do business with him directly or through a real-estate company?

Mr. ANGERSOLA. Well, I did business with Delmar's lawyer.

Mr. RICE. What was his name?

Mr. ANGERSOLA. Delmar was the owner of the house.

Mr. RICE. He was the owner?

Mr. ANGERSOLA. That is right.

Mr. KAPLAN. He did business with his lawyer.

Mr. ANGERSOLA. And I bought off Delmar.

Mr. RICE. And you paid him?

Mr. ANGERSOLA. That is right.

Mr. RICE. And you paid him \$40,000 cash?

Mr. ANGERSOLA. \$40,000 or \$45,000.

Mr. KAPLAN. But he did not say he paid it at one time?

Mr. RICE. Tell us how you paid it.

Mr. ANGERSOLA. I gave him 20, and I gave him, I think, 10 more. I bought it all within the year, I paid it off.

Mr. RICE. You gave him 20 and 10 and 10?

Mr. ANGERSOLA. Yes.

Mr. RICE. And all that was cash?

Mr. ANGERSOLA. That is right.

Mr. RICE. Why didn't you give it to him all at once?

Mr. ANGERSOLA. Maybe I didn't have it. I don't remember.

Mr. RICE. Well, did you have it?

Mr. ANGERSOLA. I might have had it invested some other place, I don't remember.

Mr. RICE. But you at least had \$20,000 when you started?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. Where did you get that money?

Mr. ANGERSOLA. I had it.

Mr. RICE. Where did you get it from?

Mr. ANGERSOLA. I have had it for years.

Mr. RICE. Yes; you had it, but where did you get it from in the first place? What business were you in?

Mr. ANGERSOLA. He is coming back to the same thing again.

Mr. KAPLAN. One moment.

Mr. ANGERSOLA. I know, that is what they are leading up to, I know that.

Mr. KAPLAN. Will you do me a favor and keep still, please?

Mr. ANGERSOLA. That ain't fair.

Mr. KAPLAN. The witness wants permission to consult with counsel.

Senator HUNT. Go right ahead.

(Discussion off the record.)

Mr. KAPLAN. The witness refuses to answer that question on the ground that it would tend to incriminate him.

Mr. RICE. All right. I will ask the Chair to direct the witness to answer this question.

Mr. KAPLAN. Before the Chair directs the witness to answer this question, I would like to have a word to say to him, and to you also, Mr. Rice.

Senator HUNT. Off the record.

(Discussion off the record.)

Senator HUNT. On the record.

Mr. RICE. I believe the last question was a suggestion to the Chair that the witness be directed to answer the question.

Senator HUNT. Yes. The Chair directs the witness to answer the question.

Mr. KAPLAN. And the witness refuses to answer the question upon the grounds as urged by his counsel throughout this entire inquiry, and upon the additional ground that the answer will tend to incriminate him.

Mr. RICE. Is that agreeable to you?

Senator HUNT. Let the witness answer the question.

Mr. ANGERSOLA. I refuse to answer the question on the ground it may incriminate me.

Mr. RICE. He has concurred in his counsel's suggestion?

Mr. KAPLAN. Yes.

Mr. RICE. Do you know a man by the name of Little Augie Pisano?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. And you also know a man by the name of Carfano, or you know him by the name of Carfano?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. Who is he?

Mr. ANGERSOLA. Well, who is he? He is related to a man I used to know by the name of Jimmy Kelly.

Mr. RICE. In the Village?

Mr. ANGERSOLA. Yes.

Mr. RICE. Yes. Have you ever had any business transactions with Little Augie?

Mr. ANGERSOLA. Originally, no; afterward, yes.

Mr. RICE. What transactions have you had with him?

Mr. ANGERSOLA. Him, I didn't have any, but I had it with Jimmy Kelly, and through Jimmy Kelly dying, he took over Jimmy Kelly, he represented Jimmy Kelly.

Mr. RICE. Yes; and what transactions have you had with Little Augie?

Mr. ANGERSOLA. Well, I could put it that I had had transactions with Jimmy Kelly, whichever way you want to put it.

Mr. RICE. Tell us about Little Augie, what business have you done with him?

Mr. ANGERSOLA. He took over his father-in-law's business in the Grand Hotel, and the Raleigh Hotel.

Mr. RICE. Down in Florida?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. So that he had a financial interest in the Raleigh and the Grand Hotel?

Mr. KAPLAN. The answer was that Jimmy was the one who had the financial interest.

Mr. RICE. And Little Augie took it over when he died?

Mr. ANGERSOLA. That is right.

Mr. RICE. So he continued in it, and you were in it.

Mr. ANGERSOLA. He had him fronting for him, taking care of his end.

Mr. RICE. When was the first year you were in the Grand Hotel?

Mr. ANGERSOLA. The Grand Hotel?

Mr. RICE. Yes.

Mr. ANGERSOLA. I never was in the Grand Hotel—

Mr. RICE. Didn't you say you had business interests with Little Augie in the Grand Hotel and the Raleigh?

Mr. ANGERSOLA. I meant the Wofford and the Raleigh, not the Grand.

Mr. KAPLAN. The Wofford is the hotel.

Mr. ANGERSOLA. It was a mistake on my side. I meant to say the Wofford and the Raleigh.

Mr. RICE. Do you want to say that you never had any interest in the Grand Hotel, just to make it real clear?

Mr. ANGERSOLA. Yes.

Mr. RICE. What about the—

Mr. KAPLAN. Wait a minute until I ask the witness something.

Mr. ANGERSOLA. You mean today?

Mr. RICE. Any time.

Mr. ANGERSOLA. Oh, no. I am the owner of the Grand Hotel.

Mr. RICE. You are the owner of the Grand Hotel now?

Mr. ANGERSOLA. Today; yes. Five years ago, no; 3 years ago, 4 years ago, 3 or 4 years ago.

Mr. RICE. Did Carfano ever have any interest in the Grand Hotel with you?

Mr. ANGERSOLA. No, sir.

Mr. RICE. Let's go back to the Wofford again. Carfano had an interest in the Wofford through Jimmy Kelly?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. When did you first acquire your interest in the Wofford?

Mr. ANGERSOLA. 1940, I think.

Mr. RICE. 1940?

Mr. ANGERSOLA. 1939 or 1940.

Mr. RICE. 1939 or 1940?

Mr. ANGERSOLA. Yes.

Mr. RICE. How did you happen to get into the Wofford?

Mr. ANGERSOLA. Through Tom Cassera.

Mr. RICE. Who is he?

Mr. ANGERSOLA. Some gentleman in Florida.

Mr. RICE. He interested you in that?

Mr. ANGERSOLA. That is right.

Mr. RICE. Now, then, you got in there in partnership with some people, didn't you?

Mr. ANGERSOLA. That is right.

Mr. RICE. Who were they?

Mr. ANGERSOLA. Mr. Kelly.

Mr. RICE. Kelly—who else?

Mr. ANGERSOLA. And myself and Mr. Cassera.

Mr. RICE. Kelly, Cassera, and you?

Mr. ANGERSOLA. Yes.

Mr. RICE. You were the only three?

Mr. ANGERSOLA. That is right.

Mr. RICE. When Kelly died, Little Augie took over?

Mr. ANGERSOLA. That is right.



Mr. RICE. Do you still have an interest in there?

Mr. ANGERSOLA. No, sir.

Mr. RICE. When did you dispose of that?

Mr. ANGERSOLA. When Cassera come back—when Mrs. Wofford started to sue over the hotel.

Mr. RICE. Yes; I think the record is clear that Mrs. Wofford finally got the hotel back. Did you ever have any interest in the Yorkshire Club?

Mr. ANGERSOLA. Yes; I did.

Mr. RICE. When was that?

Mr. ANGERSOLA (conferring with counsel). I refuse to answer that on the ground it may tend to incriminate me.

Mr. RICE. All right, sir. What is—or rather, where was the Yorkshire Club?

Mr. ANGERSOLA. I don't know.

Mr. KAPLAN. You don't know.

Mr. ANGERSOLA. No; I don't.

Mr. RICE. Did you say, "I don't know"?

Mr. ANGERSOLA. No, sir; I don't.

Mr. RICE. You remember a little while ago you said you had an interest in it?

Mr. ANGERSOLA. That is right.

Mr. RICE. Did you have an interest in something that you did not know where it was?

Mr. ANGERSOLA. Yes, sir.

Mr. KAPLAN. Be very careful from now on and listen to the questions before you answer.

Mr. ANGERSOLA. You know, I am talking truthfully.

Mr. KAPLAN. No, no; just answer the questions as they are put to you.

Mr. RICE. Yes. You said you had an interest in it. You said that, didn't you?

Mr. ANGERSOLA. Yes.

Mr. RICE. And now you say you don't know where it is, and didn't know where it was?

Mr. ANGERSOLA. I don't know——

Mr. KAPLAN. He says he didn't know and doesn't know.

Mr. RICE. How did he know what I was talking about when I suggested that to you?

Mr. ANGERSOLA. Because I remember I filed for that place.

Mr. RICE. You did what?

Mr. ANGERSOLA. I filed for 1 year, and I give it up. That is right.

Mr. RICE. You filed?

Mr. ANGERSOLA. Yes.

Mr. RICE. What did you file?

(Mr. Angersola conferring with counsel.)

Mr. KAPLAN. He filed income, that is his answer.

Mr. RICE. You filed an income tax for it?

Mr. ANGERSOLA. Yes.

Mr. KAPLAN. We have to treat each question separately at this stage of the examination, Mr. Examiner.

Mr. RICE. You filed an income-tax return, is that right?

(Mr. Angersola conferring with counsel.)

Mr. KAPLAN. The witness would like to consult with counsel with respect to this line of inquiry, and have the last two questions and answers reread, please.

Senator HUNT. That may be done.

(Record read.)

Mr. RICE. Where was the Yorkshire Club?

Mr. KAPLAN. The witness has already answered that he didn't know, Mr. Chairman.

Senator HUNT. Well, let the witness answer, Counsel.

Mr. KAPLAN. All right.

Senator HUNT. Really, you are not under examination. Please let the witness talk.

Mr. KAPLAN. No; but——

Mr. ANGERSOLA. I don't know.

Mr. RICE. You want to say that you don't know where the Yorkshire Club was?

Mr. ANGERSOLA. No, sir; I have never been there. I have never seen the place.

Mr. RICE. What was it?

Mr. ANGERSOLA (conferring with counsel.) I refuse to answer that question on the ground it may incriminate me.

Mr. RICE. How did you acquire your interest in the Yorkshire Club?

Mr. ANGERSOLA. I refuse to answer on the ground it may incriminate me.

Mr. RICE. You have answered that you had an interest in it.

Mr. ANGERSOLA. Yes.

Mr. RICE. How did you get that interest?

Mr. ANGERSOLA. I refuse to answer on the ground it may incriminate me.

Mr. RICE. I would like to suggest to the Chair that he direct the witness to answer that, in view of the fact that the witness has discussed his interest in it, and I think that he is now compelled to tell the source of his interest in the Yorkshire Club.

Mr. KAPLAN. May I suggest——

Senator HUNT. The acting chairman directs the witness to answer the question.

Mr. KAPLAN. May I say that the mere fact that the witness says he had an interest in something does not mean that all other questions relating to that interest cannot be incriminating, nor has he opened the door, nor has he lost his privilege by saying that he had an interest. The mere statement, "I had an interest," does not constitute anything incriminating, in his opinion or in my opinion, but questions dealing with, "How did you get the interest, where did you get the interest, what did you pay for the interest, how did you dispose of the interest," and so on and so forth, and "How much money did you make," are incriminating, and the witness feels he has the right of urging his constitutional privilege.

Senator HUNT. The acting chairman restates his direction to the witness to answer the question.

Mr. ANGERSOLA. I refuse to answer on the ground it may incriminate me.

Mr. RICE. What do you mean by interest? You said you had an interest in there. What do you mean by that?

Mr. ANGERSOLA. I refuse to answer on the ground it may incriminate me.

Mr. RICE. How did you know what I was talking about when I asked you if you had any interest in the Yorkshire Club?

Mr. ANGERSOLA. I refused to answer on the ground it may incriminate me.

Mr. RICE. You have heard of the Yorkshire Club?

Mr. ANGERSOLA. I refuse to answer on the ground it may incriminate me.

Mr. RICE. Do you know Moe Dalitz?

Mr. ANGERSOLA. Do I know Moe who?

Mr. RICE. Moe Dalitz.

Mr. ANGERSOLA. No.

Mr. RICE. Sometimes known as Davis?

Mr. ANGERSOLA. Yes.

Mr. KAPLAN. Do you know him personally?

Mr. ANGERSOLA. Yes.

Mr. RICE. Do you know him?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. Who is he?

Mr. ANGERSOLA. Who is he?

Mr. RICE. Who is he?

Mr. ANGERSOLA. He is a human being.

Mr. RICE. You don't know who he is?

Senator HUNT. Keep your voice up. The reporter is having a very difficult time hearing you.

Mr. KAPLAN. He says that he is a human being.

Mr. RICE. He is a human being?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. Have you ever spoken with him?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. Have you ever had any business transactions with him?

Mr. ANGERSOLA. I refuse to answer on the ground it may incriminate me.

Mr. RICE. How about Morris Kleinman?

Mr. ANGERSOLA. Do I know him?

Mr. RICE. Yes.

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. You do know him?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. Have you ever had any business transactions with Kleinman?

Mr. ANGERSOLA. I refuse to answer on the same grounds.

Mr. RICE. Do you know a man by the name of Lou Rothkopf?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. And how long have you known him?

Mr. ANGERSOLA (conferring with his attorney). Fifteen or twenty years.

Mr. RICE. When was the last time you saw him?

Mr. ANGERSOLA. I don't recall.

Senator HUNT. Off the record.

(Discussion off the record.)

(At this point Senator Hunt left the room and Senator O'Connor reentered the hearing room and resumed the chair.)

The CHAIRMAN. You may proceed.

Mr. RICE. You don't remember the last time you saw him?

Mr. ANGERSOLA. No.

Mr. RICE. Do you know where it was?

Mr. ANGERSOLA. It might have been in Florida.

Mr. RICE. It might have been in Florida?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. You don't remember where it was?

Mr. ANGERSOLA. No.

Mr. RICE. You know you have seen him in Florida?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. Where did you see him in Florida?

Mr. ANGERSOLA. I don't remember.

Mr. RICE. You don't remember?

Mr. ANGERSOLA. No; I don't.

Mr. RICE. Do you remember any place you saw him in Florida?

Mr. KAPLAN. In his lifetime, you mean?

Mr. RICE. Yes.

Mr. ANGERSOLA. In my lifetime?

Mr. RICE. Yes.

Mr. ANGERSOLA. I ate dinner with him.

Mr. RICE. Where?

Mr. ANGERSOLA. In Florida.

Mr. RICE. Did you ever eat dinner in Winnie's Little Club with him?

Mr. ANGERSOLA. I may have. I don't know if he was there when Winnie's Little Club was there. Yes; he might have been there, you know when you are bringing me back to now, you are bringing me back almost 10 years.

Mr. RICE. Yes. Now you bring me up a little bit. When was the last time you saw him in Florida?

Mr. ANGERSOLA. I don't remember.

Mr. RICE. Did you have any interest in Winnie's Little Club?

Mr. ANGERSOLA. Did I?

Mr. RICE. Yes.

Mr. ANGERSOLA. Yes.

Mr. RICE. Did he have an interest in it?

Mr. ANGERSOLA. Did he?

Mr. RICE. Yes.

Mr. ANGERSOLA. No.

Mr. RICE. Was there any gambling in Winnie's Little Club?

Mr. ANGERSOLA. No, sir.

Mr. RICE. Are you sure about that?

Mr. ANGERSOLA. Positively.

Mr. KAPLAN. Off the record, I can tell you that there was not.

Mr. ANGERSOLA. It was just an eating place.

Mr. KAPLAN. That is what it was.

Mr. RICE. How about the Brook Club; have you ever been in the Brook Club?

Mr. ANGERSOLA. I have never been there.

Mr. RICE. You never went there?

Mr. ANGERSOLA. No.

Mr. RICE. How about the Chez Paree.

Mr. ANGERSOLA. I have been in there.

Mr. RICE. Did you have any interest in that?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. Do you still have an interest?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. Is there gambling in there?

Mr. ANGERSOLA. No, sir.

Mr. RICE. When you were talking about the Wofford Hotel, did you ever see Charlie Fischetti in the Wofford Hotel?

Mr. ANGERSOLA (conferring with counsel). Yes.

Mr. RICE. You saw Charlie Fischetti in there?

Mr. ANGERSOLA. I might have seen him in there. I have seen him lots of places.

Mr. RICE. You have seen him lots of places?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. But you do remember seeing him in the Wofford?

Mr. ANGERSOLA. I don't know. I didn't go there too often myself.

Mr. RICE. Did you see Rothkopf in the Wofford?

Mr. ANGERSOLA. I don't think I have.

Mr. RICE. You don't think you have?

Mr. ANGERSOLA. No.

Mr. RICE. Did you ever have any business transactions with Rothkopf?

Mr. ANGERSOLA (conferring with counsel). Not that I can remember.

Mr. RICE. Is it possible that you did have?

Mr. ANGERSOLA. I don't know.

Mr. RICE. Wasn't he in the Yorkshire Club with you?

(Mr. Angersola conferred with counsel.)

The CHAIRMAN. What is your answer?

Mr. ANGERSOLA. Well, I think I should not answer on the ground it may incriminate me—that Yorkshire Club thing.

The CHAIRMAN. You refuse to answer?

Mr. ANGERSOLA. Yes.

Mr. RICE. You don't know whether Rothkopf was in the Yorkshire Club or not?

Mr. ANGERSOLA. I refuse to answer.

Mr. RICE. Is it possible he was?

Mr. ANGERSOLA. I refuse to answer.

Mr. RICE. Have you ever heard of the Ohio Villa?

Mr. ANGERSOLA. I have heard of it.

Mr. RICE. You have heard of it?

Mr. ANGERSOLA. Yes.

Mr. RICE. You have heard of the Ohio Villa?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. Where was it?

Mr. ANGERSOLA. Well, offhand, I couldn't describe it. It was a way outside on the outskirts of Cleveland.

Mr. RICE. Were you ever in the Ohio Villa?

Mr. ANGERSOLA. I might have been there once or twice in my life.

Mr. RICE. Yes. What went on in the Ohio Villa?

Mr. ANGERSOLA. Nothing that I know of.

Mr. RICE. Nothing?

Mr. ANGERSOLA. No.

Mr. RICE. What was the business of it?

Mr. ANGERSOLA. A dining place.

Mr. RICE. A dining place?

Mr. ANGERSOLA. Yes.

Mr. RICE. And, didn't they have gambling there?

Mr. ANGERSOLA. Not that I remember.

Mr. RICE. Are you sure about that?

Mr. ANGERSOLA. Yes. While he was there, anyhow, I have not been there. It must have been 15 years or better.

Mr. RICE. Didn't you have an interest in it?

Mr. ANGERSOLA. No, sir.

Mr. KAPLAN. Mr. Rice must remember that he has not had anything to do with Cleveland for the last 12 or 15 years.

Mr. RICE. This was a long time ago.

Mr. KAPLAN. But since, the Ohio Villa, since then, may have turned out to be a very disreputable place.

Mr. RICE. You say that you had seen Charlie Fischetti in the Wofford?

Mr. ANGERSOLA. I don't know. I wouldn't say yes and I wouldn't say no.

Mr. RICE. Did you ever have any business transactions with Charlie Fischetti?

Mr. ANGERSOLA. Not that I know of.

Mr. RICE. Not that you know of?

Mr. ANGERSOLA. Well, I mean, I don't know of any.

Mr. RICE. You don't know of any?

Mr. ANGERSOLA. No.

Mr. RICE. Now, you saw Little Augie in the Wofford, because he was in partners with you, wasn't he?

Mr. KAPLAN. He described the relationship, Mr. Rice.

Mr. RICE. How about Di Carlo? Do you know "Gyp" Di Carlo, Anthony Di Carlo?

Mr. ANGERSOLA. I may know him if I see him, I don't know.

Mr. RICE. You don't know whether you know him or not?

Mr. ANGERSOLA. No.

Mr. RICE. How about Pogy Torrello?

Mr. ANGERSOLA. I don't know whether I know him or not.

Mr. RICE. You don't know whether you know him or not?

Mr. ANGERSOLA. No.

Mr. RICE. Is it possible you know him?

Mr. ANGERSOLA. It could be. I met so many people; by God, I meet a lot of people.

Mr. RICE. Would you want to say you don't know?

Mr. ANGERSOLA. I wouldn't say that and I wouldn't say I do know him.

Mr. RICE. Where did you meet Charlie Fischetti?

Mr. ANGERSOLA. In Florida.

Mr. RICE. In Florida?

Mr. ANGERSOLA. Yes.

Mr. RICE. Whereabouts?

Mr. ANGERSOLA. You are taking me back maybe 15 years ago, 12, 13, 14, 15 years, I wouldn't know just where.

Mr. RICE. Do you know his brother, Rocco?

Mr. ANGERSOLA. I have met him.

Mr. RICE. You have met him?

Mr. ANGERSOLA. Yes.

Mr. RICE. Have you had any transactions with him?

Mr. ANGERSOLA. No, sir.

Mr. RICE. Do you know Mike Coppola?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. When did you meet him?

Mr. ANGERSOLA. Around the same time; around them years.

Mr. RICE. What business was he in?

Mr. ANGERSOLA. I don't know.

Mr. RICE. Have you ever had any business transactions with him?

Mr. ANGERSOLA. Well, if you would say selling him a home was a business transaction, yes.

Mr. RICE. You sold him a home?

Mr. ANGERSOLA. Yes.

Mr. RICE. Where was that?

Mr. ANGERSOLA. 4431 Alton Road.

Mr. RICE. Mike Coppola bought your old house, didn't he?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. How much did he give you for that?

Mr. ANGERSOLA. \$30,000.

Mr. RICE. Did he pay you in cash?

Mr. ANGERSOLA. Some cash; some check.

Mr. RICE. And the check you deposited in your account in the Mercantile Bank?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. How much cash did he give you?

Mr. ANGERSOLA. I don't remember, 10 or 15 thousand dollars, I don't remember just what it was.

Mr. RICE. Frank Costello, do you know him?

Mr. ANGERSOLA. No, sir.

Mr. RICE. You never met him?

Mr. ANGERSOLA. I don't think I have.

Mr. RICE. Well, think about it a little while.

Mr. ANGERSOLA. I have heard about the man, but I don't remember meeting him.

Mr. RICE. You don't ever remember meeting him?

Mr. ANGERSOLA. No.

Mr. RICE. You wouldn't know him if you saw him?

Mr. ANGERSOLA. According to the papers, I would.

Mr. RICE. What do you mean, according to the papers?

Mr. ANGERSOLA. I have seen his pictures in the paper.

Mr. RICE. And you would recognize him from that?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. You never had a conversation with him?

Mr. ANGERSOLA. Not that I know of.

Mr. RICE. It is possible, though, isn't it?

Mr. ANGERSOLA. As I say, everything is possible.

Mr. RICE. How about Frank Erickson?

Mr. ANGERSOLA. In fact, I have had—Frank Erickson, I have seen him.

Mr. RICE. You have met him and talked with him?

Mr. ANGERSOLA. Well, no; I wouldn't say that. I don't think I met Erickson over twice in all the years I have known—in all the years I have been down there.

Mr. RICE. Did you ever have any business with him?

Mr. ANGERSOLA. Never.

Mr. RICE. Did you have an interest in the gambling games at the Wofford Hotel?

Mr. ANGERSOLA. There never was any gambling there that I know of.

Mr. RICE. There never was any gambling there?

Mr. ANGERSOLA. Not that I know of.

Mr. RICE. Have you ever had an interest in a gambling enterprise?

Mr. ANGERSOLA. Sir?

Mr. RICE. Have you ever had an interest in a gambling enterprise?

Mr. ANGERSOLA. Not that I know of.

Mr. RICE. Not that you know of?

Mr. ANGERSOLA. No.

Mr. RICE. Are you sure about that?

Mr. ANGERSOLA. I am almost positive.

Mr. RICE. You have never made any money from a gambling game?

Mr. ANGERSOLA. No, sir; no, sir.

Mr. RICE. You say no?

Mr. ANGERSOLA. That is right.

Mr. KAPLAN. That is a rather broad term. Are you going to consider slot machines in the form of gambling? I don't know whether it falls in that classification.

Mr. RICE. He has answered.

Mr. ANGERSOLA. I want to try to answer truthfully.

Mr. KAPLAN. A gambling game is something——

Mr. ANGERSOLA. That is what I was told.

The CHAIRMAN. Well, I interpreted counsel's question to mean did he maintain a gambling house, or operation on his own, any particular——

Mr. ANGERSOLA. Mr. Chairman, you say you want information, and I want to give it to you, but I mean——

The CHAIRMAN. In other words, we would not interpret an individual playing a slot machine, or of having a single slot machine, or something like that——

Mr. KAPLAN. Off the record. The business of the Buckeye Catering Co., in some sense might be considered a gambling enterprise. I don't think a fellow who plays slot machines is getting any kind of a gamble.

Mr. ANGERSOLA. Well, put it this way. I am positive not in 10 years, that I am sure of.

Mr. RICE. In the last 10 years, you say?

Mr. ANGERSOLA. Yes.

Mr. RICE. How about the Yorkshire Club? What business do you consider the Yorkshire Club to be in?

Mr. ANGERSOLA. I said that I refused to answer on the ground it may incriminate me.

Mr. RICE. Was the Yorkshire Club in the gambling business?

Mr. ANGERSOLA. I refuse to answer on the ground it may incriminate me.

Mr. RICE. You refuse to answer that?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. Do you know what business the Yorkshire Club is in?



Mr. ANGERSOLA. I refuse to answer on the ground it may incriminate me.

The CHAIRMAN. All right. That will conclude the examination.

Mr. KAPLAN. Now, may I ask this, Your Honor: I ask that the—

The CHAIRMAN. Off the record.

(Discussion off the record.)

The CHAIRMAN. On the record.

Mr. RICE. Our next witness will be George Angersola.

The CHAIRMAN. You are George Angersola; is that right?

Mr. ANGERSOLA. That is right.

The CHAIRMAN. Will you raise your right hand, please?

In the presence of the Almighty God, do you swear that the testimony you shall give will be the truth, the whole truth, and nothing but the truth?

Mr. ANGERSOLA. I do.

The CHAIRMAN. Sit down at the end of the table there, please.

**TESTIMONY OF GEORGE ANGERSOLA, CLEVELAND, OHIO, ACCOMPANIED BY FRED D. KAPLAN, ATTORNEY, NEW YORK, N. Y.**

The CHAIRMAN. Now, your full name is what?

Mr. ANGERSOLA. George Angersola.

The CHAIRMAN. And you live where?

Mr. ANGERSOLA. 1936 East Eighty-fifth Street, Cleveland, Ohio.

The CHAIRMAN. How long have you lived there?

Mr. ANGERSOLA. About—

The CHAIRMAN. Just about?

Mr. ANGERSOLA. Say, 35 years.

The CHAIRMAN. Thirty-five years?

Mr. ANGERSOLA. Yes.

The CHAIRMAN. I think you were before the committee before over in the Senate Office Building one day, and we talked with you over there?

Mr. ANGERSOLA. Yes.

The CHAIRMAN. All right. Now, Mr. Rice, will you proceed, please?

Mr. RICE. Have you ever used any other name?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. What other name?

Mr. ANGERSOLA. King.

Mr. RICE. And how did that happen?

Mr. ANGERSOLA. I don't know.

Mr. RICE. Well, you used it.

Mr. ANGERSOLA. I must have used it when I was a baby.

Mr. RICE. What is your name?

Mr. ANGERSOLA. George Angersola.

Mr. RICE. What is the name on your driver's license?

Mr. ANGERSOLA. George King.

Mr. RICE. George King?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. Which name do you use?

Mr. ANGERSOLA. Well, I use both.

Mr. RICE. You use both?

Mr. ANGERSOLA. Yes.

Mr. RICE. Why is that?

Mr. ANGERSOLA. I don't know.

Mr. RICE. You don't know why?

Mr. ANGERSOLA. No.

Mr. RICE. Do you ever use any other names besides those?

Mr. ANGERSOLA. No (conferring with counsel).

Mr. RICE. Those are the only two names you have ever used?

Mr. ANGERSOLA. That is right.

Mr. RICE. What business are you in? Would you rather have me call you King or Angersola?

Mr. ANGERSOLA. Whatever you want to call me.

Mr. RICE. What do you prefer?

Mr. ANGERSOLA. I am Angersola.

Mr. RICE. You are Angersola?

Mr. ANGERSOLA. Yes.

Mr. RICE. You were born in this country, weren't you?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. Are you of Italian background?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. That question was asked with no inference being meant by that, of course.

Mr. KAPLAN. Do you know what he means?

Mr. ANGERSOLA. No.

Mr. RICE. You would prefer that we call you Angersola?

Mr. ANGERSOLA. That is right. That is my name.

Mr. RICE. What business are you in?

Mr. ANGERSOLA (conferring with counsel). No business.

Mr. KAPLAN. He is in no business, he says.

Mr. RICE. You are in no business?

Mr. ANGERSOLA. No.

Mr. RICE. Have you ever been in any business?

Mr. ANGERSOLA. Oh, not that I ever remember. I work; I work now. You say business, but I work.

Mr. KAPLAN. He is a workingman, not a businessman.

Mr. RICE. Tell us about it; what work do you do?

Mr. ANGERSOLA. I work for the Cleaning & Dyeing.

Mr. KAPLAN. He works for the Cleaning & Dyeing.

Mr. ANGERSOLA. International.

Mr. RICE. What cleaning and dyeing company do you work for?

Mr. ANGERSOLA. I work for the International.

Mr. RICE. The International?

Mr. ANGERSOLA. Yes.

Mr. RICE. Where is that located?

Mr. ANGERSOLA. 1771 East Twelfth Street.

Mr. RICE. What city?

Mr. ANGERSOLA. Cleveland, Ohio.

Mr. RICE. Who is the boss?

Mr. ANGERSOLA. The man I work for is Harold Grandwalter.

Mr. RICE. Do you draw a salary from that?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. How much?

Mr. ANGERSOLA. \$100 a week.

Mr. RICE. What do you do for that? What are your duties?

Mr. ANGERSOLA. Well, my duties, if they call me to go out—I don't know how to answer that.

Mr. KAPLAN. Do you solicit accounts for them?

Mr. ANGERSOLA. No. If there is any trouble——

Mr. KAPLAN. What kind of trouble (discussion outside hearing of reporter).

Mr. KAPLAN. If they have trouble, if somebody starts a counter-union, so that someone is making trouble for the union, I imagine the manufacturers' association, or something is bothering them.

Mr. RICE. Yes. Well, now, what do you call your job? What is your title?

Mr. ANGERSOLA. My title would be organizer.

Mr. RICE. You are an organizer?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. I see. What do you organize?

Mr. ANGERSOLA. I don't know how to answer that.

Mr. RICE. Well, you know what you do. You know what your job is. You don't have to ask your lawyer what your job is.

Mr. ANGERSOLA. Why should I ask him?

Mr. RICE. What is your job?

Mr. ANGERSOLA. My job is to go see that people join the union, and pass the cards out.

Mr. RICE. You go down to the union?

Mr. ANGERSOLA. No; on the shops for the union.

Mr. RICE. What do you do?

Mr. ANGERSOLA. Pass cards around.

Mr. RICE. What kind of cards?

Mr. ANGERSOLA. Tell people to join the union.

Mr. RICE. You work for the union?

Mr. ANGERSOLA. Yes.

Mr. RICE. What time do you go to work in the morning?

Mr. ANGERSOLA. I go all times, any time.

Mr. RICE. Every day.

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. Down in the union hall?

Mr. ANGERSOLA. That is right.

Mr. RICE. You are there every day?

Mr. ANGERSOLA. Practically every day.

Mr. RICE. Practically every day.

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. You get people to join the union?

Mr. ANGERSOLA. I don't get them to join, but they join.

Mr. RICE. They pay you \$100 a week for that?

Mr. ANGERSOLA (no answer).

Mr. RICE. Is that right?

Mr. ANGERSOLA. Yes.

The CHAIRMAN. Won't you answer out loud so we can hear you?

Mr. ANGERSOLA. Well, I mean, "Yes," but I mean, you are going a little too fast. I want a little time to think things over. I don't know, you know.

Mr. RICE. Do you have any other jobs?

Mr. ANGERSOLA. Right now?

Mr. RICE. Yes, right now.

Mr. ANGERSOLA. No.

Mr. RICE. Have you had any other jobs this year?

Mr. ANGERSOLA (conferring with counsel).

Mr. KAPLAN. He worked in a restaurant, The 23 Room, as slaw man.

Mr. RICE. How much did you get a week?

Mr. ANGERSOLA. \$100.

Mr. RICE. When was that?

Mr. ANGERSOLA. Two years ago.

Mr. RICE. Where did you work?

Mr. ANGERSOLA. The 23 Room.

Mr. RICE. The 23 Room?

Mr. ANGERSOLA. Yes.

Mr. RICE. Where is that located?

Mr. ANGERSOLA. Miami Beach, Fla.

Mr. RICE. Whose place is that?

Mr. ANGERSOLA. Harvey Campbell's.

Mr. RICE. Is that an eating place?

Mr. ANGERSOLA. No; a drinking place.

Mr. RICE. A drinking place?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. You were the floor manager?

Mr. ANGERSOLA. Yes.

Mr. RICE. What were your duties there?

Mr. ANGERSOLA. To see that the bar was straightened out and to set people down.

Mr. RICE. Was there any gambling there?

Mr. ANGERSOLA. No, sir.

Mr. RICE. You are sure about that?

Mr. ANGERSOLA. I am sure about that.

Mr. RICE. You left that job?

Mr. ANGERSOLA. Well, I am through.

Mr. RICE. How long have you been connected with the Cleaning and Dyeing Union?

Mr. ANGERSOLA. Since 1946.

Mr. RICE. Since 1946?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. And have you been working for them ever since then?

Mr. ANGERSOLA. Working for who?

Mr. RICE. The Cleaning and Dyeing Union.

Mr. ANGERSOLA. Since 1946.

Mr. RICE. And you have been drawing \$100 a week from them?

Mr. ANGERSOLA. Yes.

Mr. RICE. Ever since 1946?

Mr. ANGERSOLA. No, sir.

Mr. KAPLAN. What did you start at?

Mr. ANGERSOLA. Fifty dollars.

Mr. KAPLAN. When did they up your salary?

Mr. ANGERSOLA. I would say a little past a year, or something like that. I wouldn't say for sure. I wouldn't know.

Mr. KAPLAN. He isn't sure, but he thinks he started a little over a year ago with a raise.

Mr. RICE. From what to what?

Mr. ANGERSOLA. From fifty.

Mr. RICE. From \$50 a week to \$100?

Mr. ANGERSOLA. Yes.

Mr. RICE. All the time you were working for The 23 Room, you were drawing \$100?

Mr. ANGERSOLA. Yes.

Mr. RICE. How long did you work for The 23 Room?

Mr. ANGERSOLA. About 10 or 11 weeks.

Mr. RICE. About 10 or 11 weeks?

Mr. ANGERSOLA. Yes.

Mr. RICE. During that time, were you drawing money from the union too?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. How could you do that?

Mr. ANGERSOLA. I was on vacation.

Mr. KAPLAN. He was on vacation when he made the money, on his vacation, he worked at The 23 Room.

Mr. RICE. And they gave you a 10 weeks' vacation?

Mr. ANGERSOLA. Yes.

Mr. KAPLAN. Did they pay you?

Mr. ANGERSOLA. Yes.

Mr. KAPLAN (conferring with witness).

Mr. RICE. Is that right? They gave you 10 weeks' vacation, but they paid you all that time?

Mr. ANGERSOLA. Yes.

Mr. RICE. And then when you finished with The 23 Room you went back to Cleveland, is that the idea?

Mr. ANGERSOLA. Yes.

Mr. RICE. Now then, have there been any other periods when you have been away from Cleveland, except for the 10 or 11 weeks that you worked at The 23 Room, since you have been working for the union?

Mr. ANGERSOLA. I don't—don't get what you mean.

Mr. RICE. You have been down to Florida every winter, haven't you?

Mr. ANGERSOLA. Yes.

Mr. RICE. You have been down there?

Mr. ANGERSOLA. Yes.

Mr. RICE. So they gave you a vacation every year, didn't they?

Mr. ANGERSOLA. Yes.

Mr. RICE. How long is your vacation?

Mr. ANGERSOLA. Three weeks, sometimes 4 weeks, 10 weeks, that all depends.

Mr. RICE. What is the most you have ever taken?

Mr. ANGERSOLA. About 10 or 12 weeks.

Mr. RICE. Are you on vacation now?

Mr. ANGERSOLA. No.

Mr. RICE. How much vacation did you have during the winter of 1950 and 1951—this past winter?

Mr. ANGERSOLA. How much vacation?

Mr. RICE. Yes.

Mr. ANGERSOLA. From 1950 to 1951?

Mr. KAPLAN. This last winter, how many weeks were you in Florida?

Mr. ANGERSOLA. I would say about 4 months, 3 months.

Mr. KAPLAN. Three to four months.

Mr. RICE. For 3 to 4 months you have been down there this past winter?

Mr. ANGERSOLA. Yes.

Mr. RICE. And were you drawing money from the union all that time?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. You were down there when the committee was looking for you; weren't you?

Mr. ANGERSOLA. Yes.

Mr. RICE. Were you on vacation then?

Mr. ANGERSOLA. Yes.

Mr. RICE. Did you do any work this past winter?

Mr. ANGERSOLA. No, sir.

Mr. RICE. When is the last time you worked for the union in Cleveland?

Mr. ANGERSOLA. Oh, a couple of years.

Mr. RICE. You have not done any work for a couple of years?

Mr. ANGERSOLA. That is right.

Mr. RICE. But you are still drawing a salary?

Mr. ANGERSOLA. Yes.

Mr. RICE. How do you account for the union being able to pay you a salary, yet you don't do any work?

Mr. ANGERSOLA. They may need me.

Mr. RICE. They may need you?

Mr. ANGERSOLA. They may need me.

Mr. RICE. So, you are like Arnie Samish says; you are "callable." Is that it?

Mr. ANGERSOLA. I guess that is it.

Mr. RICE. I think Schenley's paid him \$30,000 to be "callable"; and these fellows pay you \$5,200 to be "callable." Is that the idea?

Mr. ANGERSOLA. I don't know.

Mr. KAPLAN. He says put it any way you want it.

Mr. RICE. Have you ever been locked up?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. What was that for?

Mr. ANGERSOLA. Well, I was pinched for bootlegging.

Mr. KAPLAN. What else?

Mr. ANGERSOLA. Extortion.

Mr. RICE. Did you do any time for bootlegging?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. How much time did you do?

Mr. ANGERSOLA. Three months.

Mr. RICE. Three months?

Mr. ANGERSOLA. Yes.

Mr. RICE. In a Federal jail?

Mr. ANGERSOLA. Yes.

Mr. RICE. Where?

Mr. ANGERSOLA. At the workhouse.

Mr. RICE. Where?

Mr. ANGERSOLA. Dayton, Ohio.

Mr. RICE. At the Federal Workhouse?

Mr. ANGERSOLA. That is right.

Mr. RICE. When was the next time you went to jail?

MR. ANGERSOLA. For extortion, 3 months in county jail.

MR. RICE. In Ohio?

MR. ANGERSOLA. That is right.

MR. RICE. That was in 1939?

MR. ANGERSOLA. Yes.

MR. RICE. Were you sentenced for from 1 to 5 years? You were; weren't you?

MR. ANGERSOLA. No, sir.

MR. RICE. What was your sentence?

MR. ANGERSOLA. I got 3 months, is all I know.

MR. RICE. That is all you did, but what was your sentence?

MR. ANGERSOLA. I don't know, from 1 to 5 you would go to the—I did 3 months in the county jail.

MR. KAPLAN. He only knows the time he served. Most of the prisoners are like that, you know.

MR. RICE. Did you ever hear of a boat called the *Wood Duck*?"

MR. ANGERSOLA. Yes, sir.

MR. RICE. You never heard of that?

MR. ANGERSOLA. Yes, sir.

MR. RICE. You have heard of that?

MR. ANGERSOLA. Yes, sir.

MR. RICE. When did you buy that?

MR. ANGERSOLA. Me?

MR. RICE. Yes.

MR. ANGERSOLA. Are you kidding? I can't buy that—I never bought that.

MR. RICE. Well, tell us what you know about the *Wood Duck*.

MR. ANGERSOLA. I don't know nothing.

MR. RICE. You know something about it.

MR. ANGERSOLA. No; I don't

MR. RICE. You say you heard about it. Have you ever been on it?

MR. ANGERSOLA. I might have been on it once; I don't know.

MR. RICE. Whose boat was it?

MR. KAPLAN. Johnny owned it.

MR. ANGERSOLA. Yes; Johnny owned it. I don't care for boats.

MR. RICE. I would like to admonish counsel not to suggest answers to the witness. We are interested in the witness' answers.

MR. KAPLAN. Well, he laughed, because he did not aspire to own any boat.

MR. ANGERSOLA. I don't like boats.

MR. RICE. Who owned the *Wood Duck*?

MR. ANGERSOLA. My brother.

MR. RICE. Did he always own it?

MR. ANGERSOLA. After that, I don't know what he did with it.

MR. RICE. Have you ever been on it?

MR. ANGERSOLA. I says, I might have been on it once or twice.

MR. RICE. Where did you go on it?

MR. ANGERSOLA. No place. I might have went just for a ride.

MR. RICE. Where did you start; what city?

MR. ANGERSOLA. For the ride?

MR. RICE. Yes.

MR. ANGERSOLA. It might have been in Florida or in Cleveland; I don't know.

Mr. RICE. You can't remember where you went?

Mr. ANGERSOLA. No; I don't.

Mr. RICE. What is the longest trip you ever took on it?

Mr. ANGERSOLA. To tell you the truth, I can't go from here across the street on a boat. I get sick.

Mr. RICE. Whose boat was it when you took the trip?

Mr. ANGERSOLA. I can't recall; I don't know.

Mr. RICE. Who invited you to go on it? Who took you?

Mr. ANGERSOLA. Nobody took me. Maybe I went down there and went out for a little ride. I don't know if I ever went on it. I might have.

Mr. RICE. Was it McBride's boat when you went on it?

Mr. ANGERSOLA. I wouldn't know. I wouldn't know how to answer that.

Mr. RICE. You know McBride?

Mr. ANGERSOLA. Yes.

Mr. RICE. Mickey McBride?

Mr. ANGERSOLA. Yes.

Mr. RICE. Were you ever on it when Mickey McBride owned it?

Mr. ANGERSOLA. I don't know who owned it.

Mr. RICE. Who owned it when you went on it?

Mr. ANGERSOLA. I can't remember that far back. I don't know.

Mr. KAPLAN. You know your brother owned it at one time?

Mr. ANGERSOLA. That is right.

Mr. RICE. Do you remember riding on it when McBride owned it, at all?

Mr. ANGERSOLA. I wouldn't know.

Mr. RICE. You can't remember who it was that owned it?

Mr. ANGERSOLA. No.

Mr. RICE. Do you know that it is perjury to answer you don't know, when you do know the answer? Do you know that?

Mr. ANGERSOLA. I don't know.

Mr. KAPLAN. If you really know, he means.

Mr. ANGERSOLA. Well, I don't know who owned it at that time. I know my brother owned it at one time.

Mr. RICE. What became of the *Wood Duck*?

Mr. ANGERSOLA. The *Wood Duck*?

Mr. RICE. Yes; what became of it?

Mr. ANGERSOLA. It is still down in Florida.

Mr. KAPLAN. Who did Johnny sell it to? Do you know?

Mr. ANGERSOLA. No.

Mr. KAPLAN. He doesn't know.

Mr. RICE. You don't know what became of it?

Mr. ANGERSOLA. It is in Florida.

Mr. RICE. Would it surprise you to know that Al Polizzi owns it now?

Mr. ANGERSOLA. Yes.

Mr. RICE. It would surprise you?

Mr. ANGERSOLA. No; it wouldn't surprise me. I know who owns the boat, but I don't know how he bought it.

Mr. RICE. Why didn't you say that Al Polizzi has it now?

Mr. ANGERSOLA. You didn't ask me that.

Mr. RICE. I asked you who had it now.

Mr. ANGERSOLA. No—you have got me all confused now.



Mr. RICE. Well, you just tell the truth, and there is nothing confusing about the truth.

Mr. ANGERSOLA. I am telling you the truth; I am telling you the truth.

Mr. RICE. Who had the boat when you went out on it?

Mr. ANGERSOLA. I don't know if my brother owned it; I don't know who owned it then. I will be frank. I don't know.

Mr. RICE. Where did you go in it?

Mr. ANGERSOLA. No place; just for a little ride. I went for a ride. I don't know whether it was in Cleveland, or maybe in Florida, because I can't take the ocean. So, it was just for a little ways, just in the bay in Florida.

Mr. RICE. Was it possible that you went both in Cleveland and in the bay in Florida?

Mr. ANGERSOLA. I wouldn't know that.

Mr. RICE. Do you know who went with you?

Mr. ANGERSOLA. Sir?

Mr. RICE. Do you know who went with you?

Mr. ANGERSOLA. No.

Mr. RICE. Have you ever heard of the Buckeye Catering Co.?

Mr. ANGERSOLA. No, sir.

Mr. RICE. You never heard of that?

Mr. ANGERSOLA. No, sir.

Mr. RICE. Were you ever employed by the Buckeye Catering Co.?

Mr. ANGERSOLA. No, sir.

Mr. RICE. Do you know Morris Kleinman?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. You don't know him?

Mr. ANGERSOLA. Yes, sir.

The CHAIRMAN. He said, "Yes."

Mr. RICE. What business is he in?

Mr. ANGERSOLA. I don't know.

Mr. RICE. Have you ever been in business with him?

Mr. ANGERSOLA. No, sir.

Mr. RICE. Have you ever worked for him?

Mr. ANGERSOLA. No.

Mr. RICE. Or with him?

Mr. ANGERSOLA. No, sir.

Mr. RICE. Have you ever had any transactions with him?

Mr. ANGERSOLA. No, sir.

Mr. RICE. Did you ever hear of the Yorkshire Club?

Mr. ANGERSOLA. I heard of it, but I don't even know where it is at.

Mr. RICE. What was it?

Mr. ANGERSOLA. I don't know. I says I heard of it.

Mr. RICE. Where did you hear it was?

Mr. ANGERSOLA. Around Cleveland.

Mr. RICE. Around Cleveland?

Mr. ANGERSOLA. I don't know where it is.

Mr. RICE. What sort of club was it?

Mr. ANGERSOLA. I wouldn't know.

Mr. RICE. Was it a yacht club?

Mr. ANGERSOLA. I don't know. I wouldn't know.

Mr. RICE. What did you hear about it?

Mr. ANGERSOLA. Nothing. Just I heard the name of the club; that is all.

Mr. RICE. Who did you hear it from?

Mr. ANGERSOLA. A lot of people around there.

Mr. RICE. For instance?

Mr. ANGERSOLA. For instance? I don't know their names.

Mr. RICE. You cannot remember?

Mr. ANGERSOLA. No.

Mr. RICE. Did you ever hear of your brother having an interest in it?

Mr. ANGERSOLA. No, sir.

Mr. RICE. Would it surprise you if you learned that he did have an interest in it?

Mr. ANGERSOLA. [Shrugged shoulders.]

Mr. RICE. I didn't hear your answer.

Mr. ANGERSOLA. I wouldn't know how to answer that.

Mr. KAPLAN. Would you be surprised if they told you that Johnny owned part of the club? Would it surprise you?

Mr. ANGERSOLA. Maybe it would surprise me, I don't know.

Mr. RICE. You don't know.

Mr. KAPLAN. He is not easily surprised, evidently.

Mr. RICE. Did you ever work for McBride?

Mr. ANGERSOLA. No.

Mr. RICE. Are you sure about that?

Mr. ANGERSOLA. Yes.

Mr. RICE. You never worked for McBride?

Mr. ANGERSOLA. No.

Mr. RICE. Did you ever work with him?

Mr. ANGERSOLA. No.

Mr. RICE. Weren't you in the building-cleaning business at one time?

Mr. ANGERSOLA. I was a baby.

Mr. RICE. You were what?

Mr. ANGERSOLA. I must have been a baby.

Mr. RICE. You were a baby?

Mr. ANGERSOLA. Yes.

Mr. RICE. When?

Mr. ANGERSOLA. When they were cleaning buildings. I wouldn't know anything about the buildings.

Mr. RICE. You never did any of that work?

Mr. ANGERSOLA. No.

Mr. RICE. How did you come to know McBride?

Mr. ANGERSOLA. How did I come to know him?

Mr. RICE. Yes.

Mr. ANGERSOLA. Just to say hello, that is all; that is all I knew him by.

Mr. RICE. From what?

Mr. ANGERSOLA. People pointed him out to me.

Mr. RICE. People pointed him out and you have talked with him?

Mr. ANGERSOLA. I have said hello to him, that is all.

Mr. RICE. You never worked for him, though?

Mr. ANGERSOLA. No.

Mr. RICE. What business is he in?

Mr. ANGERSOLA. I don't know.

Mr. KAPLAN. I could make a suggestion to you, helping you in that connection, that there is a brother who does work for him and has worked for him, and that is Fred Angersola.

Mr. RICE. Do you know that?

Mr. ANGERSOLA. Yes; I remember him working for him.

Mr. RICE. What sort of business was Fred doing when he worked for him?

Mr. ANGERSOLA. The newspaper business. I wouldn't know.

Mr. RICE. What did he do in the newspaper business?

Mr. ANGERSOLA. I don't know what he was doing with the newspaper. I wouldn't know.

Mr. RICE. Do you know Sam Tucker?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. Have you ever worked with or for Sam Tucker?

Mr. ANGERSOLA. No, sir.

Mr. RICE. What business is he in?

Mr. ANGERSOLA. I don't know.

Mr. RICE. When was the last time you saw him?

Mr. ANGERSOLA. I don't remember that either.

Mr. KAPLAN. How many years, approximately?

Mr. ANGERSOLA. Oh, if I go maybe 2 or 3 years, I wouldn't know.

Mr. RICE. How about Mickey Cohen, did you ever know him?

Mr. ANGERSOLA. No.

Mr. RICE. You never knew Mickey Cohen?

Mr. ANGERSOLA. No.

Mr. RICE. What about Maxie Diamond?

Mr. ANGERSOLA. I remember him.

Mr. RICE. You remember him?

Mr. ANGERSOLA. Yes.

Mr. RICE. What business is he in?

Mr. ANGERSOLA. I don't know.

Mr. RICE. What business was he in when you know him?

Mr. ANGERSOLA. Bootlegging.

Mr. RICE. Were you in the same business with him?

Mr. ANGERSOLA. No, sir.

Mr. RICE. But you knew he was in the bootlegging business?

Mr. ANGERSOLA. Yes.

Mr. RICE. How about Moe Dalitz or Moe Davis?

Mr. ANGERSOLA. I know him.

Mr. RICE. What business is he in?

Mr. ANGERSOLA. I don't know.

Mr. RICE. You don't know?

Mr. ANGERSOLA. No.

Mr. RICE. Did you ever have any transactions with him?

Mr. ANGERSOLA. No.

Mr. RICE. Did you ever work for him?

Mr. ANGERSOLA. No.

Mr. RICE. Did you ever work for any outfit he was interested in?

Mr. ANGERSOLA. No.

Mr. RICE. Did you ever see him in Florida?

Mr. ANGERSOLA. Did I ever see him where?

Mr. RICE. In Florida.

Mr. ANGERSOLA. In Florida?

Mr. RICE. Yes.

Mr. KAPLAN. Well, think.

Mr. ANGERSOLA. Well, I wouldn't know. I might have. I might have seen him down there, I might have.

Mr. KAPLAN. Did you do any business with him?

Mr. ANGERSOLA. No; no business.

Mr. RICE. How about Tom McGinty?

Mr. ANGERSOLA. Just to say hello.

Mr. RICE. Just to say hello?

Mr. ANGERSOLA. Yes.

Mr. RICE. Did you ever have any business dealings with him?

Mr. ANGERSOLA. No.

Mr. RICE. Did you ever work in a place where he had an interest?

Mr. ANGERSOLA. No.

Mr. RICE. Are you sure about that?

Mr. ANGERSOLA. Positive.

Mr. RICE. What business is he in?

Mr. ANGERSOLA. I don't know.

Mr. RICE. Where is he now?

Mr. ANGERSOLA. I don't know.

Mr. RICE. Where would you go to find him if you were interested in locating him?

Mr. ANGERSOLA. I wouldn't have no occasion to look for him.

Mr. RICE. Where did you see him last?

(Mr. Angersola shakes head.)

Mr. RICE. Was it in Cleveland?

Mr. ANGERSOLA. Yes; but I don't know where, though.

Mr. RICE. How long ago was it?

Mr. ANGERSOLA. I don't know. I couldn't recall that.

Mr. KAPLAN. How many years ago?

Mr. ANGERSOLA. Oh, I must have seen him lately, but I don't know Tom McGinty so well.

Mr. KAPLAN. Did you see him this year?

Mr. ANGERSOLA. I might have seen him, yes; down the street. Maybe I am on one side and he is on the other side.

Mr. KAPLAN. Did you ever have any business dealings with him?

Mr. ANGERSOLA. No.

Mr. RICE. Do you know a man by the name of Luccivali?

Mr. ANGERSOLA. Yes.

Mr. RICE. What is his first name?

Mr. ANGERSOLA. Jack—I don't know.

Mr. RICE. Was it Pete?

Mr. ANGERSOLA. Pete?

Mr. KAPLAN. Paul, was it, or Pete?

Mr. RICE. No; Pete. Now, which one do you know? There are two of them?

Mr. ANGERSOLA. Who is the other one besides Pete?

Mr. RICE. Well, which one do you know?

Mr. ANGERSOLA. Jack.

Mr. RICE. You know Jack?

Mr. ANGERSOLA. Yes.

Mr. RICE. Where is Jack now?

Mr. ANGERSOLA. In Cleveland, I imagine.

Mr. RICE. In Cleveland?

Mr. ANGERSOLA. Yes.

Mr. RICE. What business is he in?

Mr. ANGERSOLA. I don't know.

Mr. RICE. You wouldn't have any idea?

Mr. ANGERSOLA. No.

Mr. RICE. How about Charlie Fischetti, do you know him?

Mr. ANGERSOLA. Oh, I might have met him in Florida, I don't know him.

Mr. RICE. Where is he now?

Mr. ANGERSOLA. I don't know.

Mr. RICE. You don't know?

Mr. ANGERSOLA. I read in the paper where he was dead.

Mr. RICE. Yes; that is right. How about Rocco?

Mr. ANGERSOLA. I don't know. I might have met him.

Mr. RICE. But you don't know him?

Mr. ANGERSOLA. I wouldn't know him.

Mr. RICE. Did you ever have any business with Charlie Fischetti?

Mr. ANGERSOLA. No.

Mr. KAPLAN. You are away above his head in these transactions.

Mr. RICE. Who takes care of your books?

Mr. ANGERSOLA. What kind of books?

Mr. RICE. You make up your income tax at the end of the year, don't you?

Mr. ANGERSOLA. The accountant in the office prepares it.

Mr. RICE. Who?

Mr. ANGERSOLA. The accountant in the union.

Mr. RICE. In the union?

Mr. ANGERSOLA. The union accountant.

Mr. RICE. What is his name?

Mr. ANGERSOLA. I don't know his name.

Mr. RICE. They make up your return for you?

Mr. ANGERSOLA. Yes.

Mr. RICE. And they file it for you?

Mr. ANGERSOLA. Yes.

Mr. RICE. They show it to you before they file it?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. Suppose you are to make some money from the 23 Room?

Mr. ANGERSOLA. I file it.

Mr. RICE. How do you get that in there?

Mr. ANGERSOLA. I tell them what I earn.

Mr. RICE. You tell the accountant?

Mr. ANGERSOLA. Yes.

Mr. RICE. What is the accountant's name?

Mr. ANGERSOLA. I don't know his name.

Mr. RICE. Oh, now, wait a minute.

Mr. ANGERSOLA. I don't.

Mr. RICE. You can do better than that.

Mr. ANGERSOLA. I don't.

Mr. KAPLAN. He just sends it in and they prepare his return to see that he stays out of trouble.

Mr. RICE. Now, let's take it real slow. You say that your returns are made out by an accountant in the union, and you tell them what other income you have?

Mr. ANGERSOLA. I don't tell him. I send it in to the office and they take care of it.

Mr. RICE. What is the office address?

Mr. ANGERSOLA. 1771 East Twelfth Street.

Mr. RICE. In Cleveland?

Mr. ANGERSOLA. Yes, Cleveland.

Mr. RICE. And you have some additional income; then what do you do?

Mr. ANGERSOLA. I mail it in to them.

Mr. RICE. Who do you mail it to?

Mr. ANGERSOLA. To Johnny Zidtello.

Mr. RICE. How do you spell his name?

Mr. ANGERSOLA. Z-i-d-t-e-l-l-o.

Mr. RICE. Who is he?

Mr. ANGERSOLA. He is the president—or the secretary, I mean.

Mr. RICE. He is what?

Mr. ANGERSOLA. The secretary.

Mr. RICE. What do you tell him to do?

Mr. ANGERSOLA. Well, when I send it, in, he makes it out for me.

Mr. RICE. Is he the one who is the accountant?

Mr. ANGERSOLA. No.

Mr. RICE. He has the accountant do it?

Mr. ANGERSOLA. Yes.

Mr. RICE. And they send it to you?

Mr. ANGERSOLA. Yes.

Mr. RICE. What is your address?

Mr. ANGERSOLA. 1936 East Eighty-fifth Street.

Mr. RICE. In Cleveland?

Mr. ANGERSOLA. In Cleveland.

Mr. RICE. Why don't you just carry it in there when you go in?

Mr. ANGERSOLA. I might be out of town.

Mr. RICE. In Florida?

Mr. ANGERSOLA. That is right.

Mr. RICE. What is your address in Florida?

Mr. ANGERSOLA. The Wofford Hotel.

Mr. RICE. Where do you live now down there in the wintertime?

Mr. ANGERSOLA. No place.

Mr. RICE. Where did you stay during the last winter?

Mr. ANGERSOLA. In an apartment house.

Mr. RICE. Where?

Mr. ANGERSOLA. On Ninety-third and Collins.

Mr. RICE. What is the name of it and what is the address?

Mr. ANGERSOLA. Ninety-three-something—eighty-four—or something like that, Collins Avenue, I don't know.

Mr. RICE. Now, what address did you say you lived at this past winter? Sit up, sir, so we can hear you.

Mr. ANGERSOLA. 93-something Collins Avenue, I don't know if it is 84, I don't know, it is on Collins Avenue, 93-something.

Mr. RICE. You don't know what address it was?

Mr. ANGERSOLA. Not offhand. I know it is 93-something.

Mr. RICE. Whose place was it?

Mr. ANGERSOLA. That owned the apartment?

Mr. RICE. Yes.

Mr. ANGERSOLA. Mr. Klein.

Mr. RICE. Mr. Klein?

Mr. ANGERSOLA. Yes.

Mr. RICE. Did it have a telephone in it?

Mr. ANGERSOLA. Yes, sir.

Mr. RICE. What was the number?

Mr. ANGERSOLA. I wouldn't know.

Mr. RICE. You never used the phone?

Mr. ANGERSOLA. No.

Mr. RICE. Did you have a private apartment in there?

Mr. ANGERSOLA. Yes.

Mr. RICE. Did you lease it?

Mr. ANGERSOLA. Yes.

Mr. RICE. How much did you pay for it?

Mr. ANGERSOLA. A thousand dollars.

Mr. RICE. For the season?

Mr. ANGERSOLA. That is right.

Mr. RICE. Who lived there with you?

Mr. ANGERSOLA. My wife.

Mr. RICE. What is her name?

Mr. ANGERSOLA. Ruth.

Mr. RICE. And you don't know the address?

Mr. ANGERSOLA. Not offhand, I don't know.

Mr. KAPLAN. The streets are numbered, and 9300 is Ninety-third Street, 9200 is Ninety-second Street. It is no mystery about the Ninety-third.

Mr. RICE. You could find it, couldn't you?

Mr. ANGERSOLA. Yes.

Mr. RICE. Were you there under your right name?

Mr. ANGERSOLA. Yes.

Mr. RICE. What name?

Mr. ANGERSOLA. No; under the name of King.

Mr. RICE. You stayed there under the name of King?

Mr. ANGERSOLA. Right.

Mr. RICE. Did you have a mail box there?

Mr. ANGERSOLA. In the office, you get your mail in the office.

Mr. RICE. Was there a telephone in your apartment?

Mr. ANGERSOLA. Yes.

Mr. RICE. Whose name was that in?

Mr. ANGERSOLA. Ruth King.

Mr. RICE. In your wife's name?

Mr. ANGERSOLA. That is right.

Mr. RICE. Why was that?

Mr. ANGERSOLA. I wanted a phone in the apartment, because they are closed at certain times——

Mr. RICE. You are talking about the office in Cleveland?

Mr. ANGERSOLA. No; the office in Florida, they closed at certain times.

Mr. RICE. Why didn't you have the phone put in in your name?

Mr. ANGERSOLA. In case something happened; my wife was a sick girl.

Mr. RICE. Why didn't you have the phone put in in your name?

Mr. ANGERSOLA. Well, I don't know.

Mr. RICE. You don't know that?

Mr. ANGERSOLA. No.

Mr. RICE. You paid the bills, though, didn't you?

Mr. ANGERSOLA. Yes.

Mr. RICE. Do you have a checking account?

Mr. ANGERSOLA. No, sir.

Mr. RICE. Do you have any bank account?

Mr. ANGERSOLA. No, sir.

Mr. RICE. Where did you keep your money?

Mr. ANGERSOLA. (No answer.)

Mr. RICE. I didn't hear you.

Mr. KAPLAN. You presume that he has got some money?

Mr. ANGERSOLA. I ain't going to tell you.

Mr. RICE. This is no laughing matter.

Mr. KAPLAN. Do you have any money of any substance, outside of what you have in your pocket?

Mr. ANGERSOLA. (No answer.)

The CHAIRMAN. Well, I think we will suspend on that.

All right. That will end it.

(Whereupon, at 5:30 p. m. the subcommittee adjourned.)

#### STATEMENT OF MURRAY L. HUMPHREYS

I am going to refuse to answer your questions on the ground "that I claim my privilege under the Constitution." I do not wish to be a witness against myself. Some of your questions may look innocent alone, but I can't answer any.

The courts have held that if I answer any questions, I have waived my rights. I do not wish to waive anything.

You people have already found in your reports that I am guilty of many Federal crimes. I wish you would send these reports to the grand jury if you vote to hold me for contempt.

I would like the record to show that I refuse to answer each question that I claimed my privilege under the Constitution.

Statements in the public press, quoting members of this committee and other Federal officials, assert that I am to be prosecuted for violations of Federal criminal laws.

Because of these statements, I must assert fully my constitutional rights against self-incrimination.

Accordingly, I refuse to answer the question upon the grounds that my answer might tend to incriminate me.

(NOTE.—Fifth amendment to the United States Constitution provides: "No person \* \* \* shall be compelled \* \* \* to be a witness against himself.")

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#### WITNESS EXHIBIT No. 1

#### STATEMENT OF OBJECTIONS IN BEHALF OF GEORGE S. MAY, WITNESS, BEFORE SENATE COMMITTEE CREATED BY SENATE RESOLUTION 202 OF EIGHTY-FIRST CONGRESS

On October 30, 1950, George S. May, a resident and citizen of the State of Illinois, appeared at the offices of this committee in Chicago, Ill., together with his attorney, pursuant to the request of said committee communicated through his attorney and said committee was then and there given all the information that was requested of George S. May and his attorney. Said hearing was not a public hearing. The questions were there propounded by Mr. George S. Robinson, Mr. Patrick Kiley and Mr. Edward Norton, attorneys, agents, or representatives of the committee; and the information given to the committee representatives pursuant to the questions then and there propounded was true and correct. The information so given to this committee, or similar information, has been utilized, with comments thereon, by this committee in its report to the United States Senate.



On July 14, 1950, there was entered on the docket of the July 1950 grand jury for Cook County, Ill., a charge against George S. May of keeping of gambling devices in violation of paragraphs 341 and 343 of the Criminal Code of the State of Illinois; and said charges or similar charges have been docketed on the grand jury docket of Cook County, Ill., for each successive month after July 1950; and it is contended that there is now on the present grand jury docket for Cook County, Ill., a like or similar charge against said George S. May.

The State's attorney for Cook County, Ill., has been unable to obtain legal or competent evidence to present before any of said grand juries of Cook County, Ill., against George S. May, which would not be in violation of the constitutional rights of said George S. May, as guaranteed him by the constitution of Illinois; and no indictment has been returned against George S. May by any of said grand juries; and the statute of limitations of the State of Illinois has not run against the alleged violations charged against him on said grand jury dockets.

The State's attorney for Cook County, Ill., Mr. John S. Boyle, has made repeated statements to the representatives of the press, and articles have appeared in various newspapers in Chicago, Ill., wherein said John S. Boyle has publicly declared that the Kefauver committee (meaning this committee) would procure from George S. May evidence that would be made available to him (said State's attorney), to be by him used in obtaining an indictment against George S. May, and which would be used by said State's attorney in the prosecution of said George S. May after indictment. We are informed that representatives of this committee have stated publicly that this committee would procure from George S. May evidence to be used against him. This is supported by the photographic copies of some of said newspaper articles and news items, submitted herewith as a part hereof.

The resolution of the Senate creating this committee and the resolutions extending the life of this committee do not provide that the committee shall obtain or procure legal evidence that might be used against any person or persons in any criminal proceedings in court, or before any grand jury, but said original resolution provides that this committee is to make a full and complete study and investigation regarding the matters specified in said resolution relating to interstate commerce and to report to the Senate the results of its study and investigations. It is contended on behalf of George S. May that his committee is not authorized by said resolutions to obtain evidence that might be used against a witness in a criminal proceeding by a prosecution either in a Federal court or in a State court, and that this committee was not created as a prosecuting body, nor as an inquisitorial body for the purpose of eliciting evidence and facts to aid a local, Federal, or State prosecutor.

Where the information desired by this committee has been submitted and given as hereinabove set forth, there exists no necessity, authority, nor power in the committee to require the witness by compulsion of a subpoena issued for him, to give the same information and facts under oath, in a hearing where the State's attorney for Cook County, Ill., the Federal district attorney, the representatives of either, or others, may acquire such evidence, facts, or information for the purpose of being used by him or them against George S. May in a criminal cause now pending against him in the Criminal Court of Cook County, Ill., on charges of alleged violations of State laws, or on other charges that may be thereafter brought against him in a Federal or State court.

In this proceeding it is the contention of George S. May that, by the issuance of the subpoena against him, and by requiring him to answer under oath any question that might be propounded to him, by this committee, or any representative thereof, that this committee is making itself the agency and instrumentality of said State's attorney for Cook County, Ill., for the purpose of eliciting from George S. May evidence, facts, and information which would be used against him by said State's attorney in a criminal cause now pending against said George S. May, in violation of his constitutional rights as guaranteed him by the constitution of Illinois and the Constitution of the United States, and which could not be obtained by said State's attorney directly, because of the constitutional immunity of George S. May.

It is contended by George S. May that the supposed immunity attempted to be granted by section 3486 of title 18 is not a substitute for the protection given by the fifth amendment to the Constitution of the United States against self-incrimination; and is not broad or comprehensive enough to grant George S. May immunity or protection, and in fact does not grant any immunity or protection.

The alleged immunity statute applicable to evidence adduced before a congressional committee is found at title 18, paragraph 3486, of the United States Code, and it reads as follows:

"3486. TESTIMONY BEFORE CONGRESS: IMMUNITY

"No testimony given by a witness before either House, or before any committee of either House, or before any joint committee established by a joint or concurrent resolution of the two Houses of Congress, shall be used as evidence in any criminal proceedings against him in any court, except in a prosecution for perjury \* \* \*."

This statute is in no way made applicable to any subcommittee appointed by any of the possible committees mentioned in the statute, nor does the alleged immunity extend to facts and matters learned or discovered by such examination as to persons, transactions, or things which might constitute a link in the chain of proof of a Federal or other criminal defense.

There is no Federal statute which grants any immunity to a witness giving testimony before a committee of the Senate with regard to transactions alleged to be in violation of local State laws, and which are cognizable in the State courts, as such testimony does not come within the purview of any Federal statute. And the alleged immunity which is attempted to be provided by the Federal statutes to a witness, and under which it is provided that he may be compelled to testify to any matter which may incriminate him, is not broad enough to give George S. May the equivalent of the immunity guaranteed by the fifth amendment of the Constitution of the United States against self-incrimination nor to give him immunity in the State courts of Illinois.

It is contended by George S. May that any attempt by this committee to elicit testimony or evidence from him, that would tend to incriminate him in the courts of the State of Illinois, under the circumstances hereinabove set forth, is an unauthorized use of the facilities of this committee, its members, attorneys, agents, and representatives for the announced purpose of the State's attorney for Cook County, Ill., to obtain for him evidence to be by him used against George S. May in the criminal court of Cook County, Ill., in violation of the constitutional rights of George S. May, and would be in violation of the Constitution of Illinois, and a violation of the Constitution of the United States in that it is a proceeding to deprive him of liberty without due process of law in violation of the fifth amendment of the Constitution of the United States and section 1 of the fourteenth amendment, and deprive him of the equal protection of the laws.

George S. May reserves the right to make specific objections to any question that may be asked of him at the time such question is propounded, in addition to the objections herein set forth.

George S. May will refuse to answer any and all questions the answer to which might or would tend to incriminate him, as guaranteed him by the fifth amendment to the Constitution of the United States, and section 1 of the fourteenth amendment; and by section 10 of article II of the Constitution of Illinois.

George S. May further contends that section 192 of title 2 is unconstitutional and void, as being in contravention of the fifth amendment to the Constitution of the United States, and section 1 of the fourteenth amendment, both when considered as an independent section and when considered in connection with section 194 of said title 2.

It is contended by George S. May that section 194 of title 2 is unconstitutional and void, as being in contravention of the fifth amendment to the Constitution of the United States, and section 1 of the fourteenth amendment, both when considered as an independent section, and when considered in connection with section 192 of said title 2.

Further, this witness, in declining to answer the respective questions propounded to him does not waive, but reserves his right to secure from a court of competent jurisdiction a ruling and determination of the right of this committee to ask each such particular question. And whether or not this witness is or is not required to answer such questions.

The Tam O'Shanter Country Club is a nonprofit corporation operating a country club in the county of Cook, State of Illinois and no other place. No part of the Tam O'Shanter Country Club operations come within the scope of the resolution creating this committee and the exploration of the affairs of said club is beyond the authorized legislative purpose of Resolution No. 202.

This entire proceeding, beginning with the adoption of Resolution No. 202, and the subsequent resolutions, the method of procedure, the inquisitions of the

witnesses by the committee, the method of prosecution of a witness who invokes the protection of the Constitution, the sections of the United States statute providing for such prosecution and the prosecutions thereunder, are all in violation of the constitutional rights of the witness as guaranteed and protected by the fifth amendment to the Constitution of the United States and section 1 of the fourteenth amendment, and are designed to deprive this witness of his liberty without due process of law, as promulgated in the Aaron Burr trials and recognized thereafter continuously to the present time, and are in violation of said sections of the Constitution.

RALPH S. McFARLAND,  
*Attorney for George S. May.*

[From the Chicago Daily Tribune, September 21, 1950]

## UNITED STATES AND BOYLE UNITE TO WAR ON SYNDICATE—MAP TAM O'SHANTER GAMING DRIVE

(By James Doherty)

Federal and county authorities joined forces yesterday for an attack on the Capone-Ricca-Guzik crime and gambling syndicate. State's Attorney Boyle pledged his cooperation to Rudolph Halley, chief counsel for the Senate's Kefauver committee, now investigating interstate crime, and Halley, in turn, agreed to help Boyle.

Halley, a prominent New York attorney who was special counsel for the Senate's War Contracts Investigating Committee when President Truman was its chairman, came here from Washington for the meeting. Attorney George S. Robinson of the Kefauver committee's legal staff was with Halley in Boyle's office, and Judge Julius Miner, who was chief justice of criminal court last month, was present for part of the conference.

### DISCUSS TAM O'SHANTER CASE

Afterwards, Boyle said the Tam O'Shanter Country Club case had been discussed, indicating the club's management may be one of the first targets of the crime investigators.

George S. May, president of Tam O'Shanter, and his employees have refused to comply with a grand jury subpoena and with Judge Miner's order to submit the club's books for inspection. Boyle's police who raided the club on July 4, found 27 slot machines and gambling games in operation.

### VOGEL, ACCARDO FREQUENT CLUB

Boyle and the grand jury wanted to know how the profits of Tam O'Shanter gambling had been split. It was assumed, Boyle has said, that Ed Vogel and Tony Accardo, who were reported seen frequently at the clubhouse, took charge of the winnings, and that they had their employees carried on May's payrolls.

The Boyle-Halley meeting concerned many other matters, it was explained, and any Tam O'Shanter evidence acquired by the Kefauver committee will be made available to Boyle and the county grand jury, it was agreed.

### BUSINESSMEN IN SYNDICATE

"The national crime syndicate appears to be more than a loosely conceived organization," Halley said. "It appears to be strong and active in many cities, one of which is Chicago. Many of its ringleaders appear to be substantial businessmen."

He said he had found a "substantial link between politics and crime," but he refused to elaborate.

Halley did not discuss his plans, and said he did not know when the committee would meet here. After the Senate adjourns, the committee will go first to Kansas City for hearings, he said.

### WON'T TOLERATE "FLIP" EVASIONS

"What if the Tam O'Shanter folks, and the other persons you call as witnesses, refuse to testify on the ground they might incriminate themselves?" Halley was asked.

"They won't get away with it," he replied. "Unless they can show that the answer might involve them as violators of Federal laws, the claim will not be allowed. The United States will not tolerate flippant claims of violation of constitutional rights. We've had rulings on this."

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[From the Chicago Daily Tribune, September 14, 1950]

#### UNITE TO SEEK GANG TIE-UP AT TAM O'SHANTER—KEAUFER TO AID BOYLE; GILBERT FACES QUIZ

The Kefauver Senate Crime Investigating Committee and State's Attorney Boyle will work hand in hand in seeking the indictment of George S. May, president of the Tam O'Shanter Country Club, and others, on gambling charges, it was disclosed yesterday.

Reports from Washington said committee representatives had been directed to cooperate with Boyle in obtaining evidence May and his associates refused to produce before the Cook County grand jury.

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[From the Chicago Daily News, August 22, 1950]

#### STATE TO ASK INDICTMENT OF TAM BOSS

An attempt to indict George S. May, president of the Tam O'Shanter Country Club, for possession of slot machines, will be made before the September grand jury.

"I'm definitely going to seek an indictment against May," Edmund Grant, acting first assistant State's Attorney, said Tuesday.

States' Attorney Boyle said he agreed with this move. But he said he "disagreed violently" with Police Magistrate Max Falknor's ruling made Monday in Morton Grove Village Court on one phase of the case before it was continued to September 21.

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[From the Chicago Daily Tribune, September 14, 1950]

#### UNITE TO SEEK GANG LINK TO TAM O'SHANTER

(By James Doherty)

Cooperation between States' Attorney Boyle and the Kefauver committee of the United States Senate with a view of obtaining the indictment of George S. May, president and owner of the Tam O'Shanter Country Club, famous for its rich All-American golf tournaments; James Ryan, May's business manager; Tony Accardo, high ranking public enemy, and Eddie Vogel, millionaire slot-machine dictator of Cook County who long has been immune from prosecution, was admitted yesterday.

\* \* \* \* \*

Reports from Washington, D. C., said the Kefauver committee had ordered its Chicago representative to work with State's Attorney Boyle in obtaining evidence May and his associates refused to produce before the Cook County grand jury. In criminal court here it was agreed that indictments are anticipated, and that the prosecutor and Chief Justice Frank Padden of criminal court expect to amass sufficient evidence to obtain a conspiracy indictment.

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[From the Chicago Daily News, August 4, 1950]

#### GRAND JURY TO KEEP HEAT ON TAM CLUB

Tam O'Shanter Country Club will be under continued grand jury heat the rest of August.

State's Attorney John S. Boyle said Friday he will ask the August grand jury Monday to take up where the July jury ended its probe of alleged gambling activities at the club.

The decision to continue grand jury investigation was announced after a conference between Boyle and Chief Justice Julius H. Miner of the criminal court.

[From the Chicago Sun-Times, September 23, 1950]

#### BOYLE TO ASK INDICTMENT OF TAM CHIEF

State's Attorney Boyle will start a new effort next week to jail millionaire George S. May for "conspiracy to maintain a common gambling place," he announced Friday.

The prosecutor said he would ask the grand jury Monday to indict May in connection with the seizure of 27 slot machines last July 4 at the Tam O'Shanter Country Club.

Previous charges against May, president of the club, were dismissed, meanwhile, by Justice of the Peace Mack Falknor in Morton Grove.

The dismissal came when May's lawyers dropped efforts to get the slot machines back from Boyle's raiders. Justice Falknor had ruled earlier that the raid was made on a faulty warrant.

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[From the Chicago Daily Tribune, September 13, 1950]

#### CRIME INQUIRY HEADS TOWARD TAM O'SHANTER—SENATORS TO INVESTIGATE GAMBLING CHARGES

(By James Doherty)

The Kefauver Senate committee will investigate charges of gambling operations at the Tam O'Shanter Country Club, committee representatives said yesterday. From Washington came word that the Federal Government will take up where the August Cook County grand jury left off.

\* \* \* \* \*

#### ROBINSON EXPECTS HELP

Attorney George S. Robinson, Kefauver committee agent here, is expecting plenty of help in the Tam O'Shanter and other investigations and he said he will probably be kept busy on these tasks for some time to come.

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